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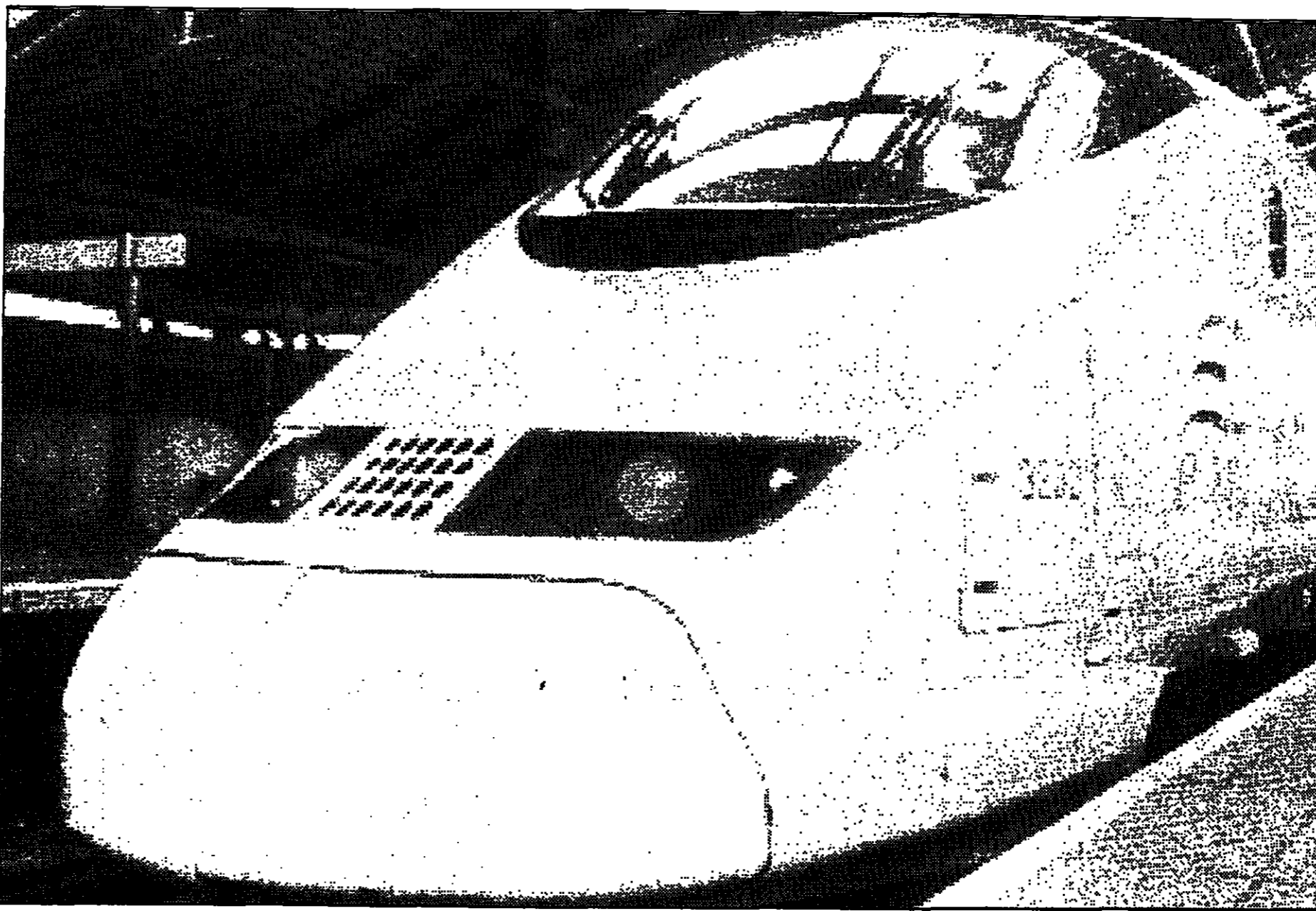


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'It would be illegal for the Government to provide money for the rail link' — Cecil Parkinson, 1990

The great railway give-away

- They get: Waterloo International station. Value: £500m
They get: 120 acres of prime central London land. Value: £3bn
They get: St Pancras Chambers, 250-bed hotel. Value: £70m
They get: Eurostar trains and other stock. Value: £650m
They also get: St Pancras station; 635 properties; 120 acres in east London; depots
Estimated total: £5.7bn



The private sector consortium says in its defence that Eurostar, included in the give-away, will not make money for another two years

PHOTOGRAPH: ANDY HALL

Keith Harper and Sarah Ryle

FURIOUS row broke out last night after Labour accused the Government of handing over public assets and cash worth £5.7 billion to the private sector...

When asked by the Guardian to put a value on the assets, Sir Derek Hornby, a former British Rail executive who is heading the London and Continental Railway consortium, refused...

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IRA stalls on ceasefire

Statement after Hume-Adams meeting a sick joke, says Major

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Rebel Lords hit divorce bill

Michael White Political Editor

The Government last night suffered another rebuff over the Lord Chancellor's Family Law Bill when a cross-party alliance of peers voted to allow pensions to be split between couples when they divorce...

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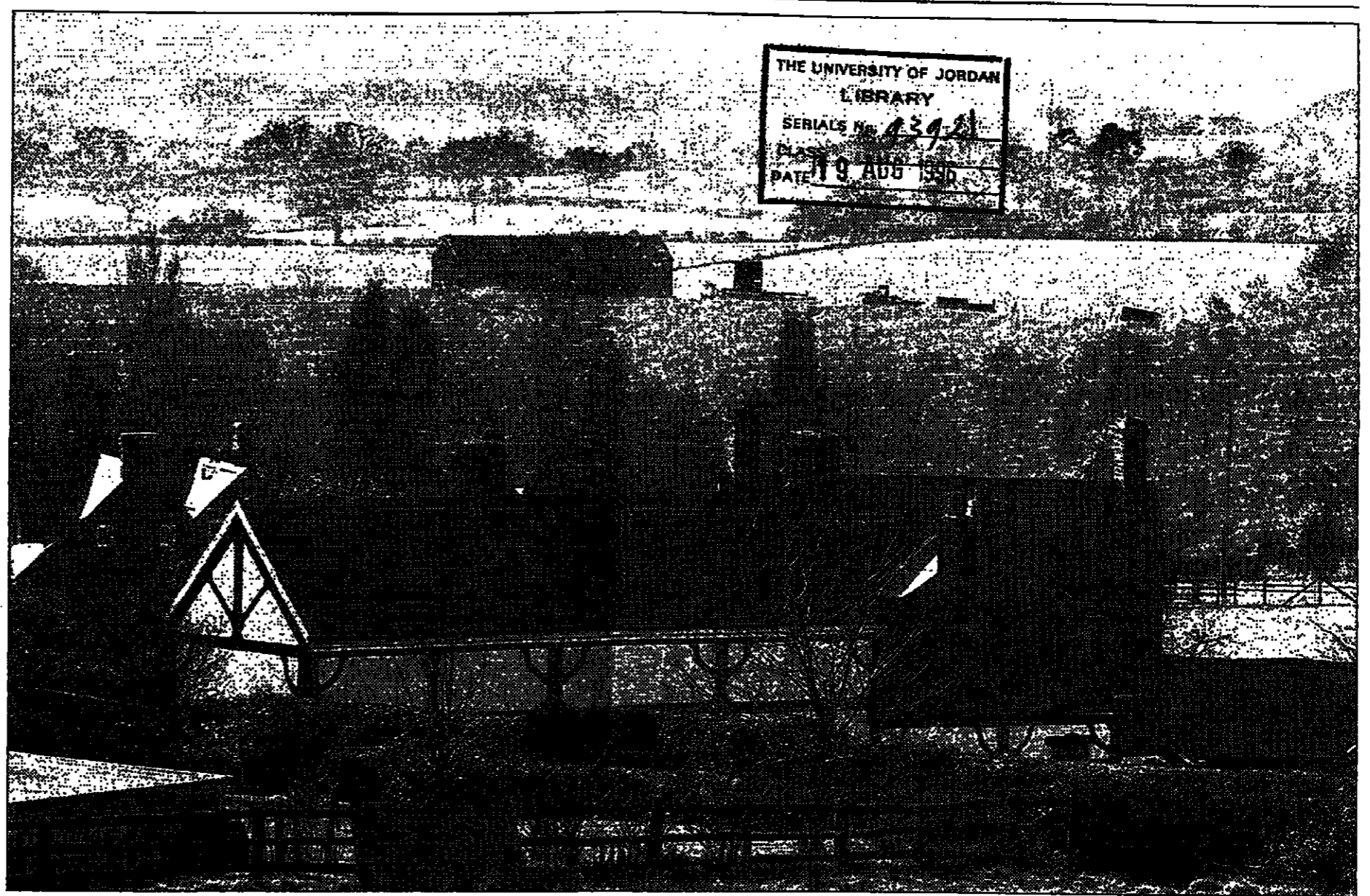
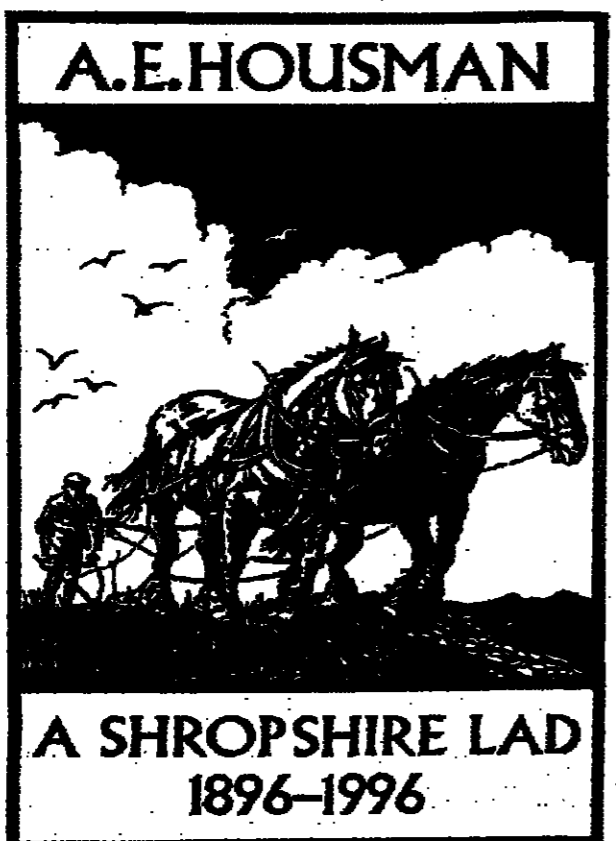
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The view toward the 'blue remembered hills' which A. E. Housman (top left) evoked in *A Shropshire Lad*, whose centenary is marked by a poster (bottom left) PHOTOGRAPHS: DON MCPHERSON

Housman's hills brought back into view

British poetry's most celebrated vista has emerged from 100 years of secrecy

John Ezard

UP A holly-hedged lane, over a rusty gate, and there in front of you stretches one of the most devastating, least known views in Britain — A.E. Housman's "blue remembered hills".

Here, revealed from the top of a meadow near Birmingham, is the setting of one of the world's most beloved lines of poetry. A 100-mile arc of distant blue

hills runs round more than 300 degrees of the horizon, ranging out across the Severn to Worcestershire and Shropshire.

The field is half a mile from Housman's childhood home at Fockbury, near Bromsgrove. As a boy, he called the hill which it forms Mount Pisgah, after the mountain Moses climbed searching for the promised land.

In the sadness of his later youth, especially after his mother died from breast cancer when he was 12, the

vista from it became his "land of lost content".

Yet meadow and vista have remained a virtual secret for 100 years. Even its local name, Broom Hill, is found only on very old Ordnance Survey maps. A Housman Trail designated by Bromsgrove council some years ago direct motorists straight past the lane leading to it.

Its location is disclosed in Housman's *Places*, a book of walking routes produced by the Housman Society to commemorate next week's centenary of the publication of *A Shropshire Lad*. "This has been known to only a few of our local members", the book's

author, Robin Shaw, treasurer of the society, said yesterday.

The society has renamed it Housman's Hill and plans to lead the first public walk there in the summer as part of the centenary celebrations.

But admirers will have to stop at the gate, from which the full glory of the view is invisible. The farmer who owns the meadow strongly discourages visitors. What has also helped keep the vantage-point secret is the 20th century ugliness around it.

The hill is chiefly known in Bromsgrove as the site of a BBC TV relay mast, to which obtrusive mobile

phone relay equipment has recently been added. The place in which Housman yearned for "the happy highways where I went/And cannot come again" is less than a mile from the M5/M24 motorway intersection. Part of the view, full of orchards when he knew it, is now a Bromsgrove dormitory suburb.

But the main panorama of "coloured counties" and church spires has been astonishingly preserved. It sweeps through Worcestershire from Droitwich to Bredon Hill ("Here of a Sunday morning/My love and I would lie", the Malvern, the Abberley hills, and then past Titterstone

Clee and Brown Clee in Shropshire.

"It is by far the most poignant single connection with Housman we have", said Jim Page, the society's chairman. "We are eager that more people should be able to see it, but that is a long way ahead. There is no access or parking. We have a lot of hurdles to jump first".

Housman's Places, £7.99, with details of 30 commemorative events, from Housman Society, 80 New Road, Bromsgrove B60 2LA. Coach tours including Mount Pisgah are on July 19 and October 4, tickets £17.

Poem text, G2 page 10.

German scandal claims spy chief

Ian Traynor in Berlin

GERMANY'S espionage chief, Konrad Porzner, resigned yesterday, the chief casualty in a spy scandal in which Britain's MI6 is believed to have lost tens of thousands of pounds and had to withdraw one of its agents from Germany.

Mr Porzner, aged 60, asked the government for early retirement after failing to persuade Chancellor Helmut Kohl to punish two senior espionage officials for their roles in a scheme in which British spies tried to buy Russian secrets and weapons from rogue German agents.

The resignation capped a turbulent year for the German intelligence community, under fire for alleged nuclear smuggling, disorganisation, and the Russian secrets debacle that involved British and American agents.

A British diplomat based in Berlin returned to Britain last November after paying tens of thousands of pounds to a trio of German spies for secret material deriving from Russian troops leaving east Germany.

The news magazine *Der Spiegel* named the British agent last month as Rosemary Sharpe, first secretary at the British embassy in Berlin. The magazine said she had

paid just over £20,000 for the material. Other sources said Britain had lost a lot of money.

The German trio, allegedly running a freelance operation and not reporting the income to their superiors, are said to be under investigation for corruption. They were based in Nuremberg, central Germany, from where they acquired weaponry, documents and information from former Red Army officers leaving east Germany and selling the material on to British and American agents.

When the scandal erupted last October, Mr Porzner is said to have rushed to London for fraught meetings with his British counterparts, although German sources say the German authorities considered charging the British agent at the time.

German secret police trailed one of the trio and Ms Sharpe to a clandestine meeting in a Munich hotel at the end of October. She returned to Britain shortly after that.

Relations between the two secret services are said to be strained as a result.

Mr Porzner, a lifelong Social Democrat, joined the Christian Democratic chancellery in Bonn, tried to exploit the scandal to have two of his senior officials sacked and demanded that Bonn bow to his demand.

THE ROYAL DIVORCE: Move followed Queen's pressure ■ Prince snubs media

'Emotionally exhausted' princess takes low profile

Edward Pilkington

THE Princess of Wales bowed out of a high-profile charity function last night pleading emotional exhaustion, as her lawyers began the detailed work of negotiating a divorce settlement.

She cancelled an appearance at the launch of the 125th birthday appeal of the British Red Cross, of which she is patron, in the wake of her surprise announcement on Wednesday that she had agreed to a divorce. The charity brought in TV personality Cilla Black to help fill the gap.

For the Prince of Wales it was business as usual. He visited Pembrokeshire to see the environmental devastation of the Sea Empress oil spill, tailed by an army of cameras and press reporters.

Meanwhile, Buckingham Palace issued a statement from the Queen that she wished the divorce settlement to be reached "both privately and amicably, for the sake of the children". The palace expects a series of negotiations to take place between lawyers and with government departments before a package is announced.

It emerged that Princess Diana's agreement to divorce came after the Queen urged her husband to push ahead with the matter. Prince Charles wrote to the princess

requesting a private meeting which took place at St James's Palace on Wednesday afternoon.

The royal couple are likely to opt for a "quickie" divorce. Theoretically, a petition to end the marriage on the grounds of two years' separation by consent could be processed by the courts within a couple of months.

However, the row that has erupted between Buckingham Palace and Princess Diana's camp over the divorce has well for a rapid and painless settlement. Both sides yesterday continued to insist they were telling the truth: the princess that her title and future accommodation had been agreed, and the palace that everything was open for discussion.

It emerged that after the divorce the princess will no longer use the style "Her Royal Highness". The palace noted that the decision to drop the style was hers and had not been pressed on her by the Queen or Prince Charles.

"Maybe she's decided she will lose the HRH title as part of her negotiating stance but before a package is announced," a palace source said.



Prince Charles with a workman on West Angle Beach PHOTOGRAPH: GARETH LLEWELLYN WILLIAMS

Prince Charles bowed out of the fate of the brooding cushion (a starfish) but not on that of his marriage, writes Maggie O'Kane

THE Prince of Wales surveyed the polluted beaches and floundering fairs of his principality yesterday without so much as a nod to the terrestrial and celestial TV world, buzzing with the details of his failed marriage.

His principality was also much more concerned with the almost 70,000 tonnes of

crude oil spilled on to her beaches.

The prince, wrapped in full-length speckled brown tweed, came to Wales in the gleaming royal train, pulled by engines Prince William and Prince Henry, now owned by a firm from Wisconsin.

He spent the morning being helicoptered from

beach to beach surveying the damage from the Sea Empress. He chose his first photo opportunity with Dai Rees, a workman employed by Texaco to clean up Angle Beach. A greatly enlarged group of press photographers seized the moment.

Matthew Polak, a French photographer, said interest abroad was "monstrous". "I tried to get a magazine interested in pictures of the pollution. They wouldn't go for it but when they heard Charles was coming down here, it was go, go, go. Newsweek, Time, Der Spiegel, they all wanted stuff".

Satellite dishes were

mounted in the car park of West Angle Beach as he strolled around, jolly with the workmen and discussing details of how the oil has almost wiped out a starfish called the brooding cushion.

Nobody dared mention the D-word. Even the man from the Sun decided it would be "too tacky". ITN punctured the surreal delicacy of the moment by shouting out: "Sir, can I ask you about the divorce?" The prince, apparently oblivious, continued to shake the hands of the workmen.

Those that turned out to see him, not more than about 100, including 20 children from Angle primary school, expressed either disinterest or sadness that Princess Diana had agreed to the divorce. Margaret Phillips was having her hair set by Wendy Hainman in Haverfordwest High Street. "I feel sorry for their children and the poor Queen, who's been working hard all her life and now she has to be dragged through the mire like that with them," she said. Her hairdresser had pity for nobody. "There's far more important things going on in this world than two silly over-indulged people getting a divorce."



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Gerry Kelly (second left) with an interpreter at his extradition hearing in Amsterdam in 1986, and (right) as a member of a Sinn Fein peace delegation in 1995



Hard man allays IRA fears over talks

Richard Norton-Taylor and Michael White

AN unfamiliar figure emerged with Gerry Adams and Martin McGuinness from Stormont Castle this week as part of the Sinn Fein delegation there for talks with British officials.

Gerry Kelly is believed to be the most sceptical of the three about the prospect of the British government's willingness, or ability, to agree to negotiations opening the way to a long-term settlement for the future of Northern Ireland.

He is commonly described

as the hard man in Sinn Fein's delegation, whose presence helps to allay deeply-ingrained suspicions within the IRA about the Government's intentions. A Belfast newspaper, the Sunday World, described him last weekend as the IRA's chief of staff.

He is not. But there is little doubt that his views carry weight with the IRA leadership, at least in Northern Ireland. He is said to be a senior figure in the organisation's Northern Command.

Mr Kelly, aged 41, was brought up in west Belfast in a Republican family of 11 children. He joined the IRA as a teenager in 1972 after the events of Bloody Sunday. The

following year he was sentenced to life imprisonment for his part in the bombing of the Old Bailey.

After a hunger strike protest, he was moved to the Maze prison in 1978 where he read profusely and later wrote a volume of poetry, *Words From a Cell*. In 1983 he helped plan the escape of 38 IRA prisoners, including himself.

He was arrested in Amsterdam three years later, and after hearings where he compared the position of IRA prisoners with that of Nelson Mandela, the Dutch refused to extradite him. They said his offence was political, and he was returned to Northern Ire-

land only after his life sentence was remitted. He was then jailed for five years for his part in the Maze escape, and released on remission in 1989. He was involved, with Mr McGuinness, in secret talks with the British government between 1990 and 1993.

Mr Kelly's authority and credibility rest on his long-standing record as a prisoner, an escaper, and on active service, but his influence is difficult to measure. Whether or not he is a member of the IRA's Northern Command, he is likely to have direct access to the organisation's membership, including the IRA's Army Council. Although the council is the IRA's supreme

body, an individual's influence is not always dependent on being a member of it.

Formal meetings of the Army Council, called when the 1992-93 ceasefire was voted down, and also when the 1994 version was finally put into action, are interspersed with informal sessions, including meetings in cars, buses or pubs. Most members of the council live in rural border areas. They hold most of their meetings in the Republic. It is believed the council was split 4-3 over the decision to implement the ceasefire 18 months ago, and voted in the same way to resume the bombing campaign.

The security forces — who say they know the names of the council's membership — have faced frustration finding proof that would justify conviction for belonging to a proscribed body, as Irish courts have also found.

Claims by some senior MPs that both Gerry Adams and Martin McGuinness — who publicly said they had left the Army Council — are still full members is regarded as preposterous by colleagues.

© The Ulster Unionists and the Alliance Party favour elections in Northern Ireland based on a single transferable vote system, not first past the post as reported in yesterday's Guardian.

News in brief

Dunlop pays over M4 crash

TYRE manufacturers Dunlop yesterday agreed to pay nearly £500,000 in damages to four members of a family involved in a motorway accident in which a 14-year-old girl died and eight people were seriously injured.

The accident happened as the Carroll family, of Grove, Oxfordshire, was travelling along the M4 near Swindon in an Austin Princess. A rear tyre on a Ford Cortina carrying five people blew out, causing the car to mount the central reservation before smashing into the Princess.

Lolita Barclay, from Bristol, a passenger in the Cortina, was killed. The Carroll family's lawyer claimed that a Dunlop SP4 165 radial tyre which blew, had a manufacturing fault, and that a huge section of tread flew off because of inadequate bonding of rubber to steel cords below the tread.

The dead girl's family and the injured sued Dunlop at the High Court in Oxford. Lawyers for Dunlop and the Carroll family reached agreement over the figures in out-of-court discussions. Judge Kenneth Wilson-Mellor will deliver his formal judgment on Monday.

Man jailed for thief attack

A FATHER of five who attacked a man who had stolen women's underwear from his washing line was jailed yesterday while the thief was let off with a caution. Gary Titmus, aged 32, Filtrick, Bedfordshire, was sentenced to four months despite the backing of 187 local people who signed a petition. His wife Sharon, 31, sobbed: "It is so unfair. Sex offenders get off with a caution. Gary is sent to prison for trying to protect his family."

Titmus saw Kevin Pitam near the washing line in his back garden late at night. Amphyll magistrates heard. He followed him to an alley next to his home where he hit 38-year-old Mr Pitam in the face. Mr Pitam, who worked collecting trolleys for Tesco in Filtrick, they found 10-15 items of women's underwear. Mr Titmus said: "When I did it I was only thinking of protecting my family. Next time I will have to ask him in for tea and sandwiches."

The petition described Mr Titmus as a "good family man and very well-mannered". He plans to appeal.

16th raid on pensioner

An 88-year-old man who can only get around in a wheelchair was stabbed and beaten unconscious during a raid on his home — the 16th he has suffered in three years. John Boyle, of Goshed, Tyne and Wear, fought off the latest attacker with a hammer, but he later returned with a knife.

Mr Boyle, who is recovering in hospital, hopes he will be found a place in a sheltered complex. He said: "I can't take any more of this. I have been broken into 16 times now and every time they just take what they want and get away scot free... They have taken five TV sets, pinched my electric wheelchair, and stolen four of my wallets. I have lost about 1,300 in cash."

£42,550 for model car

A MODEL car commissioned by Hitler will return to Germany after being sold at auction yesterday for £42,550. The highly detailed Kfz Wagen, the prototype for the Volkswagen Beetle, was one of five commissioned by Hitler, and was presented to Robert Bosch, founder of the German electronics giant, in 1941 as an 80th birthday present.

The 1:12.5 scale model was bought by the company at Christie's sale of transport memorabilia in London. It will be stored in the archives at Stuttgart where it was originally made in 1938 by the Porsche Apprentice School. Stefan Buchstaller, of Bosch, who attended the sale, said: "The model was a personal present to a founder of our company and we are delighted to have it back."

Grammys for British stars



ANNIE LENNOX, recent recipient of the Best Female Artist award at the Brits, has won the best female vocal prize at the 38th annual Grammy Awards in Los Angeles for *No More I Love You's*. "I really never expected to win this," said the former Eurythmics member. "I sincerely mean it. I can't believe I've won. Fantastic."

Another Briton, Seal, (above right) won awards for best song, best record and best male vocal, all for *Kiss From A Rose*. He called it an honour and "a real pleasure". — Ben Stewart

Tiger ruling challenged

AN APPEAL against an industrial tribunal decision allowing resumption of hands-on contact between keepers and tigers at Millonare John Aspinall's zoo was mounted by Canterbury council yesterday. The tribunal was convened after the council issued an order under the Health and Safety at Work Act banning staff at Howletts Wild Animal Park entering tiger cages.

The ban was introduced after keeper Trevor Smith was killed by a Siberian tiger in 1994. When the tribunal found in his favour, Mr Aspinall claimed a victory against the council, which spent an estimated £26,000 bringing the case. He said he received 67,000 letters of support and a 201,000-strong petition against the ban.

The council's decision follows Mr Aspinall's move to return to the tribunal for clarification on a new safety code a condition imposed by the tribunal, which he has said would not work. Council spokesman John Fisher said he knew the appeal would be unpopular but it was "the right course to take under law."

Writ for Royal Mint

THE Royal Mint confirmed last night that it had been issued with a writ by European soccer chiefs in connection with a special £2 coin to be issued before the European Championships in England. David Allen, assistant director of Royal Mint marketing, told Marketing magazine: "We don't see how the coin infringes licensing... this is trying to push the protection of an event too far."

Three million coins are reportedly due to be launched in a £1 million advertising campaign. Lawrence Abramson, speaking for Euro '96 sponsors, said: "It is our belief these coins are being marketed through the Euro '96 event, where trademark and licensing rights have already been awarded."

Briton dies in Bosnia

A BRITISH soldier, killed in Bosnia in what is believed to have been an accident, was named yesterday as Private Simon Leslie Fox, aged 24, from West Boldon, Tyne and Wear. He died from gunshot wounds at Sanski Most.

It is understood Pte Fox, from the 2nd Battalion The Light Infantry, mistakenly picked up a rifle without realising there was a round in the weapon.

Military police are investigating.

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ADMIRAL

Eulogy for 'idealist' bomber who died on bus

David Sharrock on the IRA's praise for the 'daring and courage' of Eddie O'Brien



Eddie O'Brien: 'He was the worst cook in the unit'

THE IRA yesterday gave its version of the life of Eddie O'Brien, the 21-year-old bomber who died on a London bus almost two weeks ago, revealing that he was an enthusiastic hardliner involved in previous attacks in the capital, but a hopeless chef.

In a tribute by "two comrades and friends" in an *An Phoblacht/Republican News*, the weekly newspaper of the republican movement, the young man buried in Gorey County, Wexford, is portrayed as an idealist prepared to take the war to the enemy. It reveals that he joined the IRA in 1992 and "slipped unnoticed" into London two years ago "while the IRA campaign in England was at its height".

He remained anonymous but his daring and courage in assisting his comrades in carrying out a variety of attacks in the heartland of Britain's war machine did not go unnoticed.

The tribute claims that "he was always concerned about civilian safety, and several operations were cancelled because the possibility of civilian casualties could not be ruled out 100 per cent".

He came to the attention of Irish Special Branch while still at home with his parents. He was arrested, and attempts were made to intimidate him out of his beliefs. "This tactic didn't impress Eddie, and when asked about the arrest he just said 'no problem'. His instructions were to keep a low profile and pretend that the intimidation worked. In this he succeeded."

The paper says that he travelled miles in search of his unit "and it came as no surprise to his O/C that he volunteered for active service in England, in spite of being warned that arrest or death faced him".

The hardest thing for him was the deception, for secu-

rety reasons, of telling his comrades that he had resigned from the IRA. This is an indication of the fear the organisation harbours of informers within its ranks.

In London he blended in — working as a labourer, playing football with the local pub team. "His own security precautions meant nobody

answer for his culinary skills or lack of them. He was the worst cook in the unit."

At the height of IRA activity in London he rarely left his bed, but refused to buy or rent a television, "feeling that the IRA's money would be put to better use carrying out operations or buying much-needed equipment".

As for the 17-month IRA ceasefire, "he was in total agreement with the leadership... But as time went on, he and the British continually dragged their heels, he came to the conclusion that the British would not leave Ireland unless the IRA went on the offensive again, that no other option was left."

He made his views known to comrades in London and at home in Ireland over Christmas.

Turning to the publicised divisions between him and his family, the paper says: "He always hoped that down the road the rift between himself and his father could be healed because he loved and respected him. He wished that his father would understand that he was an Irish republican."

'Eddie's red hair defied all attempts by his unit to disguise it, and he was the butt of much banter for it'

around him had any indication that he was a Volunteer operating in London. Mr Major just said "no problem" and it came as no surprise to his O/C that he volunteered for active service in England, in spite of being warned that arrest or death faced him".

The hardest thing for him was the deception, for secu-

China reassures Major on Hong Kong's future

Rebecca Smithers Political Correspondent

JOHN Major last night sought to defuse growing fears about the future of Hong Kong after its handover to China next year, by setting out reassurances he received personally from the Chinese Chinese premier Li Peng that the colony will retain "a high degree of autonomy".

However, the British government remains clearly unhappy that the Chinese administration is refusing to consider a bill of rights to provide a guaranteed framework for basic freedoms, and also has concerns about the future of the democratically elected Hong Kong assembly, the Legco.

The top-level intervention by Mr Major came at a one-hour bilateral meeting with Mr Peng in Bangkok. Mr Major arrived in the Thai capital last night for the Euro-Asian summit of 25 heads of state from EU and Asian

countries. Crucially, it comes just before Mr Major's own visit to the colony tomorrow — likely to be the last by a British prime minister before the handover on July 1 next year.

The prospect of Mr Major's visit has heightened political tensions about the issue, with China's *de facto* ambassador Zhou Nan warning the British not to stir up any more trouble.

"In the final year or so we sincerely hope the British can carry out their obligations and fully co-operate... and stir up no further trouble for Hong Kong's smooth transition," he said.

Mr Major said his meeting with Mr Peng had been "very worthwhile" and that it marked a significant thawing in the frosty relations that had previously existed between the two countries.

He said that among the reassurances given were that Hong Kong will enjoy a high degree of autonomy, Chinese officials will not be sent in to

replace their Hong Kong counterparts. Crucially, it comes just before Mr Major's own visit to the colony tomorrow — likely to be the last by a British prime minister before the handover on July 1 next year.

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Solicitor suspended for West jail dealings

Clare Dyer Legal Correspondent

THE solicitor who represented the Gloucester killer Frederick West was cleared yesterday by the Solicitors Disciplinary Tribunal of trying to make money by selling his client's life story.

But the tribunal suspended Howard Ogden from practice for a year for bringing the profession into disrepute in his dealings with West. He was ordered to pay half the £5,000 costs of the hearing.

Mr Ogden, a sole practitioner in Cheltenham, admitted he was wrong in getting West to sign a waiver of confidentiality in prison without giving him the chance to seek legal

rate advice. He told the tribunal: "Through that error I have suffered greatly but I am grateful that the profession can suffer generally as a result of that error."

Afterwards he said outside the tribunal in Carey Street, central London: "It would not be right for me to make a comment when there is a prospect of an appeal."

Mr Ogden acted for West for five months until the killer sacked him, claiming he was trying to use his connection with him to make money.

In a statement read out at the tribunal, West, who committed suicide while awaiting trial, said: "He was more interested in his own interests than mine and I eventually decided to change solicitors."

But Mr Ogden told the hear-

ing he had always acted in his client's best interests, even to the point of washing his underwear while he was in Winson Green prison, Birmingham, awaiting trial.

Mr Ogden broke down while giving evidence as he admitted errors in dealing with the confidentiality waiver, and described how he had to listen to things "too horrible to contemplate".

David Swift, prosecuting for the Solicitors Complaints Bureau, asked Mr Ogden why he had a drinks cabinet from the Wests' Gloucester home and a suit which had belonged to Frederick West.

Mr Ogden said West had asked him to look after the furniture and to keep his suit and underwear so he could wear them at his trial.

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	£5,000+	3.70%	2.78%
(1-6 Withdrawals)	£100,000+	3.85%	2.89%
	£50,000+	3.75%	2.81%
	£25,000+	3.60%	2.70%
	£10,000+	3.25%	2.44%
	£5,000+	2.70%	2.03%
(More than 6 Withdrawals)	£100,000+	2.90%	2.18%
	£50,000+	2.80%	2.10%
	£25,000+	2.70%	2.02%
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	£50,000+	4.95%	3.71%
	£25,000+	4.70%	3.53%
	£10,000+	4.15%	3.11%
	£5,000+	3.30%	2.48%
PREMIER PLUS MONTHLY INCOME ISSUE 1 Three months notice required for withdrawal, and interest paid monthly.	£100,000+	4.94%	3.70%
	£50,000+	4.84%	3.63%
	£25,000+	4.60%	3.45%
	£10,000+	4.05%	3.05%
	£5,000+	3.25%	2.44%
PREMIER OPTION BOND Variable Rate Option paying interest six monthly. Issues A, B, C, D, E and F.	£100,000+	5.75%	4.43%
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PREMIER OPTION BOND Fixed Rate Option paying interest six monthly (Issue E)	£100,000+	6.10%	4.58%
	£50,000+	6.05%	4.54%
	£25,000+	6.00%	4.50%
	£10,000+	5.90%	4.43%
	£5,000+	5.94%	4.45%
PREMIER OPTION BOND Fixed Rate Option paying interest monthly (Issue E)	£100,000+	5.89%	4.42%
	£50,000+	5.84%	4.38%
	£25,000+	5.75%	4.31%
	£10,000+	5.75%	4.31%
	£5,000+	5.75%	4.31%

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The Society is introducing revised Terms & Conditions to take effect from 1st March 1996. The purpose of this is to make Terms & Conditions easier for you to understand, and to clarify the circumstances in which future changes to Terms & Conditions may be made and when interest rates may be varied. A copy of the revised Terms & Conditions is available from any of the Society's branches or from Head Office.



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The lights are going out in Bremen as Vulkan lays off workers. Ian Traynor reports on the mood in a former German boom town

Jobless crisis grips shipyard city

In the docklands of Bremen, the lights are going out. The north German port, home to a proud seafaring and shipbuilding tradition, is sunk in gloom and anger as the rising tide of German unemployment washes over the city.

"The mood is indescribable, totally miserable," says Peter, a Bremen native. "Thirty years ago this was the best place in Germany. Now it's the worst. It gets worse every year."

Peter is a joiner at Bremer Vulkan, Germany's biggest shipbuilding group which is on the brink of bankruptcy and filed last week for protection from its creditors. The group employs 23,000 in Germany including more than 2,000 in Bremen. They've been promised their wages for the next three months. But Peter is not waiting.

"I've just handed in my notice," he explains. "that way I might find something else before the trouble really starts when this place closes down."

He points across to the north Bremen dock office handily situated opposite the Vulkan yards. "When they pay these people off, there's going to be unrest and that'll be the first target. They'll storm that place."

In its death throes, Bremen resembles a German Tyne-side or Clydeside. Rock stars are organising benefit concerts for the Vulkan workers, actors offer their services. The other day the city's shops closed for the morning in solidarity with the threatened workers.

But even before the Vulkan debacle, Bremen was western Germany's unemployment blackspot. Together with the adjoining port of Bremerhaven, the city forms the smallest of Germany's 16 federal states. Its jobless rate — 13.6 per cent last month, at least 20 per cent in Bremerhaven — puts it in a league of its own in what was West Germany.

These are the official rates. Real unemployment is higher. While the government in Bonn huffs and puffs about unemployment being its "number one priority" and issues blueprints to halve it by the year 2000, the "two-thirds society" has already arrived in Bremen. It will not be leaving soon.

"The economy is very poor. We've never had a situation as bad as this before," admits

Uwe Nullmeyer of the city's chamber of commerce. "It's astonishingly peaceful and calm here, all things considered. But that doesn't mean it can't change."

The chamber has just conducted a survey which found that every second Bremen firm plans to lay off more employees this year.

The picture is similar elsewhere. Unemployment nationally broke through the 4 million barrier last month to almost 11 per cent and a national business survey found that firms, embarked on "rationalisation and productivity" drives, intend to shed another half a million jobs this year.

Last month, the government issued its 50-point plan which it says is to bring the figures down to 2 million by the end of the century. Bankers, businessmen, and politicians just laugh.

"We're not on the way from 4 to 2 million jobs, we're on the way from 4 to 3 million," said Count Otto von Lambsdorff, liberal MP and economic guru, this week.

"Five million would be very bitter. It could become explosive," warns Mr Nullmeyer.

While the government promotes its schemes, it is not the far right, but the opposition Social Democrats (SPD) who have set up the cheap and nasty issue of foreigners as one possible cure to the disease.

Last month Rudolf Scharping, the SPD floor leader, asked why 800,000 foreigners were given work permits in Germany with the jobless rate soaring.

Last week his boss, Oskar Lafontaine, called for a halt to immigration of ethnic Germans from the former Soviet Union and eastern Europe — running at about 200,000 a year — because of the jobs crisis.

Away from the nationalist far right, such talk is seen as ruthless and dangerous electioneering and all the evidence suggests that the work permits given to foreigners are for jobs that Germans would not dream of doing.

"Without our good friends the Poles, we couldn't bring the harvest in," says a north Bavarian vintner. "We had a boy from the village working here two years ago. We had to tell him to work a bit faster. He didn't show up the next day and has been out of work ever since."

But anti-foreigner bashing goes down well among the swelling ranks of the jobless.

"It's only logical, isn't it?" says Peter in Bremen. "We can't afford to take them. All of the east is coming in here, most of them can't even speak German. When I go down to the dole office next week, I'll wonder whether I'm in my home town or in Istanbul."

In the spottish unemployment office, the human traffic is constant and heavy. It includes many non-Germans.

There are 40,000 Turks living in Bremen, a city of half a million. "The Turks are fully accepted here today. There's no problem. But if Vulkan closes down, the situation could become explosive and people could turn against foreigners," says Mr Nullmeyer.

Peter just shrugs and says he has nothing against foreigners. "Look, I'm 48. It's the worst age you can be, too old to get a job and too young to get a pension. We can't go on like this. We don't have jobs for ourselves; so how can we give them jobs?"

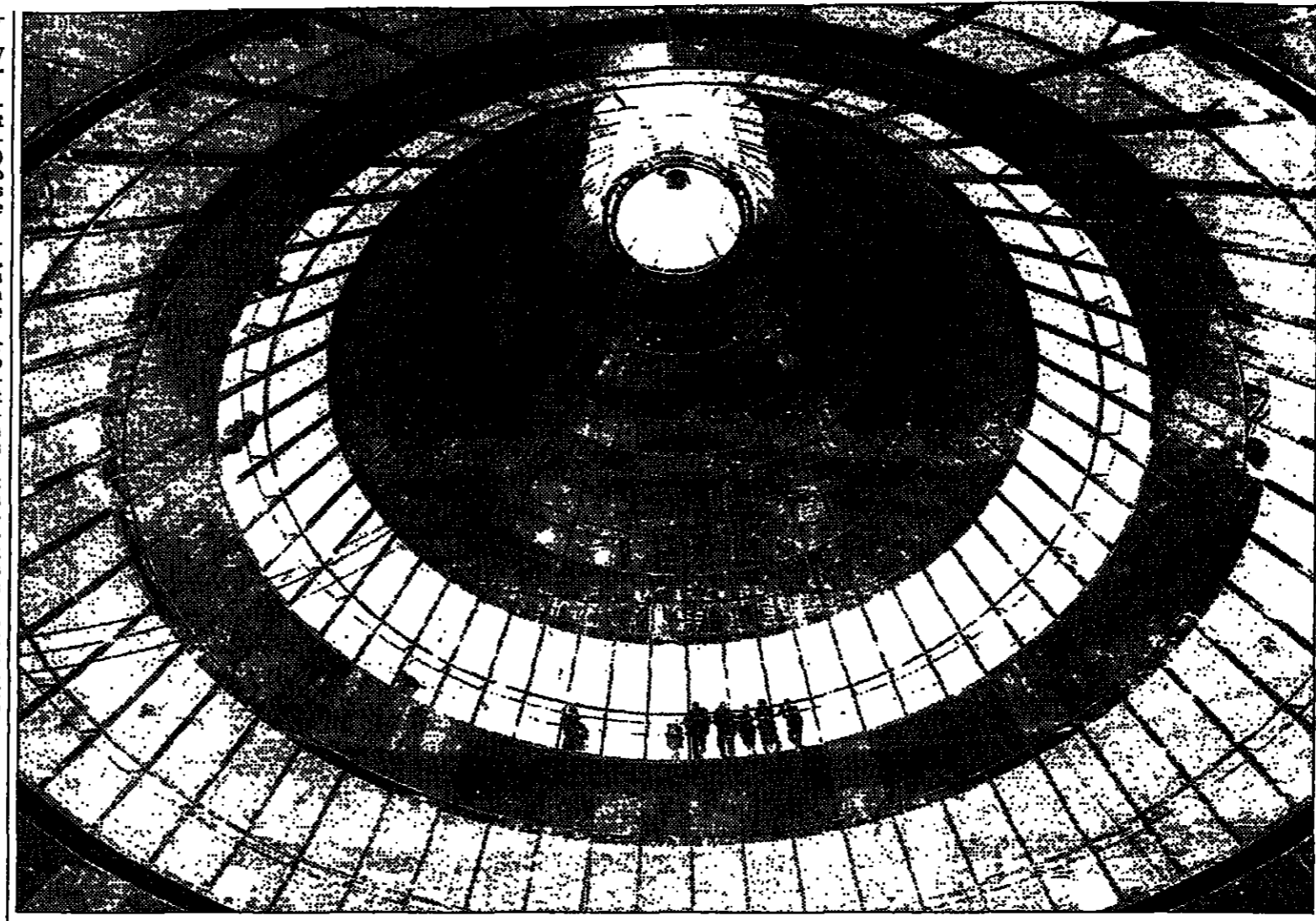
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Friedrichstrasse in east Berlin was once the centre of the city's nightlife. After years of neglect a French department store is bringing back some of its faded elegance but recession may yet defeat it

Our correspondent in Berlin

PARISIAN chic returned to the heart of drab old Berlin yesterday when the new Galerie Lafayette department store (above), all glass and glamour, opened its doors on the Friedrichstrasse, the centre of the city's nightlife of the 1920s

which was then left to rot under communist rule. Le tout Berlin thronged into the circular arcades built around a double glass conical structure. The well-heeled made off with slabs of foie gras and sacks full of French flair, but ordinary east Berliners came to gawp and lament their lack of purchasing power.

"I love coming to department store openings, but then I never come back," said Katharin Roskoth, a retired graphic designer. She came to see architect Jean Nouvel's contribution to the fast-changing face of east Berlin. "Sorry, don't like it. It's soulless, all these circles and glass make you dizzy. It doesn't make you comfortable, it makes you aggressive."

The structure and the contents — designer clothes and exquisite foods — offer "our neighbour's capital a bit of French lifestyle", said Georges Meyer, head of the retailing chain. For Eberhard Diepgen, Berlin's mayor, the store opening meant that Friedrichstrasse is on its way to becoming Germany's Bond Street or Fifth Avenue.

Which is all a far cry from the thoroughfare's heyday as the focus of the fabled Berlin nightlife of the 1920s and 30s, halted by the Nazis and then by the arrival ofCheckpoint Charlie a few hundred yards away.

Peter Blum, aged 69, could recall those days. "Back then it was all little shops, clubs, bars and cafes. There was so much life. We don't want the so-called bits back, but it would be nice to have the liveliness. Not like this: big, glass and cold."

The French have been here before. In the 17th century, thousands of Huguenots banded out of France were given shelter by the Berlin authorities and settled in this district.

This time around there are some who would like to see the French hounded out of Berlin. Leftwing radicals promised to reduce the department store to shards.

But if the radicals fail to drive the French out, money might. While setting up shop in Berlin, Galerie Lafayette has just closed two stores in New York and Singapore and is laying off 1,000 of its 17,000-strong workforce in France.

Berlin, meanwhile, is broke. West Berlin's economic growth is the worst in Germany. Unemployment is soaring and the city coffers are £2.4 billion in the red this year. It is questionable whether the 8,000 square metres of retail space, costing over £11 million to erect, will thrive.

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Connecticut whisks up the ingredients for an upset

Ian Katz in Litchfield, Connecticut

THE slightly dishevelled figure at the bar looks up at every one in plain sight. He is delighted by the field for the Republican presidential nomination. He is a Democrat and he does not believe any of the GOP hopefuls could beat Bill Clinton.

Steve Forbes, triumphant winner of the previous day's Arizona primary, is "basically a very empty-headed man". Senator Bob Dole has the mentality of a "mid-western farmer with limited vision, an limited imagination". Pat Buchanan could not win the presidency "any more than [Barry] Goldwater could win in the Sixties."

He is the eminent novelist, William Styron. It is an unexceptional encounter in Litchfield County, a rarefied corner of north-western Connecticut that boasts perhaps the highest concentration of celebrities outside Beverly Hills.

Henry Kissinger has a place in Kent. Arthur Miller and Dustin Hoffman are down the road in Roxbury. In Goshen, the hottest topic is how Ivan Lendl leapfrogged the waiting list for membership of the country club.

Litchfield County is a picture postcard slice of affluent New England. It is also the kind of bastion of moderate Republicanism that Mr Dole hopes will help him crush the upstart pundit-turned-presidential candidate, Mr Buchanan, when most of the so-called Yankee states go to the polls on Tuesday.

Mr Buchanan's surprise win in nearby New Hampshire sent a chill through these twee little towns where a growing proportion of home-owners are wealthy New Yorkers who owe their good fortune to the very corporations he has publicly vilified.

"People are scared to death of Buchanan," said one weekend resident who works for a New York merchant bank. "He's just such



Celebrity corner... Locals include William Styron (top) and Arthur Miller

land and Washington hold their primaries — organisation and resources will be more important than the "retail politics" at which Mr Buchanan is so adept.

Even if the genteel folk of Litchfield County do come out for Mr Dole on Tuesday it will be with little enthusiasm.

Although the most recent poll here gave Mr Dole a 19-point lead over Mr Buchanan, with Mr Forbes and the former Tennessee governor Lamar Alexander all but out of sight, Connecticut has the ingredients to produce an upset.

The state's economy was ravaged by the slump of the early 1990s. Mr Buchanan's tirades against corporate fat-cats and trade agreements to unleash in rich, depressed suburbs of Hartford and along the state's coastal rust-belt.

"I like Buchanan because he is a rouser like myself," said Michael Bartolini, aged 57, who was laid off from his job as a chemical researcher four years ago and now works as a part-time postman. "These companies are making lots of money, but more and more people are getting laid off while the executives are getting oversize bonuses."

Chastened by the results of Tuesday's Arizona primary, Mr Dole's workers are also worried that the media blitz Mr Forbes is expected to unleash in neighbouring New York will spill over into Connecticut commuter towns.

"We're running a campaign like we're behind," said Chris Bealy, the lobbyist in charge of the Kansas senator's campaign. All of which is music to Mr Styron's ears. "This looks like mayhem, two crazy boxers punching each other in the head till one falls over."

Mitterrand's widow says politics was his mistress

Alex Daval Smith in Paris

GUESTS at the wedding of Francois and Danielle Mitterrand watched aghast as the French politician disappeared to a political meeting before the cake had even been cut. That was in 1944 and Danielle, still in her wedding dress, insisted on accompanying him.

Mrs Mitterrand's memoirs, published yesterday, reveal that she soon realised that her husband was as much in love with politics as with her. She paints the next 51 years — until his death on January 8 — as an adoring, old-fashioned marriage between a simple country girl and an intellectual giant who deserted only to be revered.

The late French president loved her so much, she said in interviews ahead of the publication of *Entre Libertés* (Total Freedom), that he waited nine years before "worrying her" with the news that he had cancer. She learned of the diagnosis in 1990, two years before the rest of France.

Critics were disappointed yesterday by the book's failure to touch on Mrs Mitterrand's reasons for inviting Anne Pinquet, the late president's mistress, and Mazarine, his 21-year-old daughter with her, to his funeral.

She does not hide her disdain for "the court" with which she made herself unpopular during her husband's 14 years at the Elysee Palace. She asked the staff of the presidential palace to install a kitchen in its private apartments, to use potted Christmas trees and to show her monthly accounts of catering expenses. "It was a waste of time. Such a well-oiled machine was not going to endure questioning from a passing first lady. So for 14 years, we ate petits fours from Point & Chabot and Lenotre. Smaller caterers never got a look-in."

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A court has ordered the arrest of former ministers and other senior politicians for corruption, writes Suzanne Goldenberg in New Delhi

Indian scandal spins out of control

INDIA'S corruption scandal ballooned beyond the control of even that willful political operator, the prime minister P. V. Narasimha Rao, as a special court ordered the arrest of 10 politicians yesterday, including former ministers.

Three of the 10 resigned from the cabinet in January after being charged with corruption in a \$12 million bribes-for-favours scandal linked to alleged illegal foreign exchange deals. They are V. C. Shukla, the parliamentary affairs minister known for his loyalty to Mr Rao; the agriculture minister, Balram Jakhar; and the human resources development minister, Madhavrao Scindia.

Another Congress (I) politician named yesterday, the former food and civil supplies minister, Kallapanath Rai, is already in jail awaiting trial on an unrelated case.

A spokesman for the Central Bureau of Investigation said the politicians did not necessarily face immediate arrest. They must present themselves to the special court in New Delhi between March 11 and 15. "It simply means that the people have to be produced in court on those dates," the spokesman said.

One of the accused, L. K. Advani, the leader of the

Bharatiya Janata Party, was granted bail by the high court yesterday afternoon.

The scandal will undoubtedly be the main issue in the general election widely expected to be held in April.

Despite opposition claims that Mr Rao has been using the affair to eliminate his enemies, yesterday's ruling makes clear that the supreme court judges directing the investigation will not be cowed.

'The system has broken down and this is the fallout. The entire political class is being discredited, without exception'

But it also raises doubts about the viability of India's political system.

Twenty-four politicians have been charged in what is emerging as the country's widest-ranging corruption scandal. More than 100 senior politicians and bureaucrats figure in the diaries of a wealthy industrialist, S. K. Jain, who kept track of payments made to secure government contracts, or for campaigning in the 1992 general election.

The scandal highlights the fact that the bureaucracy does not move without bribes

or fixers, and that it is ludicrous to expect candidates to stick within the 450,000 rupee (about \$9,500) spending limit in a country where the average constituency has 1 million voters.

"The system has broken down and this is the fallout," said Rajinder Puri, the political cartoonist who moved the supreme court to speed up the investigation into the scandal.

"The entire political class is being discredited, without any exceptions. The public is disgusted by all politicians."

Also facing arrest warrants are Arjun Singh, who broke away from the Congress last summer; the former deputy prime minister, Devi Lal; the former energy minister, Arif Mohammed Khan; and the former finance minister, Yashwanth Singh — all members of opposition parties.

But although several main parties have been tainted by the scandal, it is evident that the ruling Congress (I) will pay the heaviest price.

The arrest warrants were issued as the government was coming under heavy attack in the last parliamentary session before the election, an onslaught which may imperil the interim budget.

Mr Rao, scowling and hunched deep into his chair, has appeared only briefly in the parliament this week, despite opposition efforts to drag him deeper into the scandal.

"The objective of the government is to loot the people. The objective of the Congress government is to make money on the sly," Somnath Chatterjee, a senior figure in the Communist Party of India (Marxist), told the parliament yesterday.

Earlier this week, an opposition MP claimed he had been offered bribes to shore up support for Mr Rao's minority government in a 1993 no-confidence vote.

And yet another scandal looms for Mr Rao, when the supreme court takes up a case in which the Congress (I) is accused of framing the former Janata Dal prime minister, V. P. Singh.

A BJP leader, Atal Behari Vajpayee, has already accused Mr Rao of receiving money from Mr Jain. However, the police say there is insufficient evidence.

Bangladesh crackdown sparks riots

Arshad Mahmud in Dhaka

TWO people were killed and more than 20 injured in clashes between opposition demonstrators and paramilitary forces in the Bangladesh port city of Chittagong yesterday.

The clashes occurred when security forces opened fire on thousands of demonstrators in an effort to quell continuing violence sparked by Wednesday's arrest of the mayor, Mohiuddin Chowdhury.

News of his arrest spread rapidly and fires were raging in the port city — the hub of Bangladesh's economy — within hours. Thousands of demonstrators went on the rampage torching buildings and vehicles.

Although no reason was given for the arrest of Mr Chowdhury — who heads the main opposition party in the city, the Awami League — he is widely believed to have been picked up as part of a crackdown on the opposition.

At least five main opposition leaders have been arrested in the past four days, and the daily Ittefaq newspaper reported that the government has targeted more than 4,000 opposition activists.

The ruling Bangladesh Nationalist Party has apparently hardened its resolve to quell dissent following recent elections which were boycotted by the main opposition parties. A general strike was observed in the port city yesterday, and opposition leaders have threatened an indefinite strike from tomorrow.



Brothers in arms... Members of the Hindu nationalist BJP demonstrate in support of the party's president, L. K. Advani, in New Delhi yesterday

Bahrain struggles to keep a lid on unrest as fat years come to an end

Political violence has cost 16 lives since December as clamour for a parliament grows, Ian Black in Manama writes

IT IS business as usual at Meridien Hotel, stretching out luxuriously on a private causeway into the bomb-damaged sea. The damage has been repaired and the guests, Bahrainis and foreigners, are used to the security checks by now.

Elsewhere in the capital, all seems calm. But beneath the gloss of government PR and bright, confidence-inducing stories in the loyal local press, fear is easy to detect as a once-prosperous island state faces an uncertain future.

The Meridien bomb was the turning point it came in mid-January, killing no one but setting alarm bells ringing as simmering unrest among Bahraini Shi'ites took on a new and dangerous form.

Three more blasts, the latest last weekend, have caused dismay about the effect on tourism and the financial services sector — but no deaths. Sixteen people have died since December 1994, when riots erupted during a marathon involving runners of both sexes.

In outlying areas like Bah Jamrah village, feelings are running high: black scorch marks from burnt tyres scar the scrubby ground and the angry slogans scrawled on the black block houses warn of more trouble brewing.

"Parliament is the solution" is the most common one, half-erased but still visible on many walls. Others salute Sheikh Abdel-Amir al-Jamri, a militant cleric now in jail. One says ominously: "Death to the al-Khalifas."

Portrayed officially as the "father" of his people, Sheikh Isa bin Salman al-Khalifa is an old-fashioned dynastic leader, who has seen his tiny country transformed from British tutelage to independence and staggering prosperity. Now it faces painful recession.

Brutality may not, as its friends say, come "instinctively" to this regime, but heavy-handed treatment — night raids on villages, mass arrests and beatings in detention — is commonplace.

Bahrain is still a far cry from Iraq or Syria, police states with informers at every turn. People seem scared, but a promise of anonymity by a foreign journalist is enough to guarantee a torrent of complaints — and explanation.

"This is not about Islamic revolution," insisted a middle-aged Shi'ite. "We want the same emir and the same crown prince, but we want a parliament and work for Bahrainis. The government just wants people to keep their mouths shut."

Last autumn, when mass rallies were being held in mosques, and politics and religion became inseparable, a real crackdown began.

Demands for a parliament, the government insists, will not be met. "We will not have Westminster-type democracy," said the foreign minister, Sheikh Mohammed bin Mubarak al-Khalifa. "It's not going to work here."

Suspicion about opposition intentions is based on the familiar argument of Arab governments facing Islamist challenges: elections won by fundamentalists, they warn, will be the first and last.

Yet such suggestions are dismissed by the government critics as scaremongering designed to maintain Western

keep people happy than in the fat years. Its oil will run out early in the next century.

Corruption, made easy by a lack of accountability has badly distorted the job market, resulting in overqualified but frustrated Bahrainis.

Betwixt, the government is starting to understand its predicament. Media policy has become a touch more liberal. Trouble is now reported a couple of days after it happens, rather than not at all.

And the traditional consultative council — majlis al-shura — is to be expanded. More emphasis is being put on vocational training. But there is little money to lubricate change.

Political constraints are a problem too: Saudi Arabia will not allow any whiff of democracy so close to its restive Shi'ite eastern provinces.

Violence at the current level is containable; but there are worrying signs. Reliable Western sources report training for Bahraini militants in Lebanon's Bekka valley while Tehran radio has cranked up its invective.

In an office in central Manama, a successful professional man — under surveillance, he claims, by the police special branch — said: "This government is starting to think like Saddam Hussein — that if you are not with them you are against them. It's too easy to say that people here are agents for Iran."

"There is only one solution for Bahrain: to open dialogue with the people. You can solve things by force for this year, or next year, but not for 20 years."

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CashBuilder		Special Renewal Bond	
Gross p.a.	Net p.a.	Gross p.a.	Net p.a.
£1 - £499	0.40%	£1,000 - £4,999	5.00%
£500 - £9,999	3.10%	£5,000 - £9,999	5.10%
£10,000 - £19,999	3.40%	£10,000 - £24,999	5.20%
£20,000 - £24,999	3.50%	£25,000 - £49,999	6.10%
£25,000 - £49,999	3.80%	£50,000 - £99,999	6.40%
£50,000 - £99,999	4.20%	£100,000 -	6.70%
£100,000 -	4.50%		
CapitalBuilder		InvestDirect	
Gross p.a.	Net p.a.	Gross p.a.	Net p.a.
£1,000 - £4,999	3.00%	£2,000 - £9,999	5.00%
£5,000 - £9,999	4.20%	£10,000 - £24,999	5.40%
£10,000 - £24,999	4.50%	£25,000 - £49,999	5.70%
£25,000 - £49,999	4.80%	£50,000 - £99,999	5.90%
£50,000 -	5.10%	£100,000 -	6.20%
Monthly Income		Bonus 60*	
Gross p.a.	Net p.a.	Annual	Monthly
£1,000 - £4,999	3.40%	Gross p.a.	Net p.a.
£5,000 - £9,999	3.80%	£1,000 - £4,999	4.30%
£10,000 - £19,999	4.10%	£5,000 - £9,999	4.60%
£20,000 - £24,999	4.50%	£10,000 - £24,999	5.55%
£25,000 - £49,999	4.90%	£25,000 - £49,999	5.80%
£50,000 -	5.30%	£50,000 - £99,999	6.10%
TESSA		Bonus 90*	
Gross p.a.	Net p.a.	Annual	Monthly
£25 - £12,999	6.20%	£1,000 - £4,999	4.30%
£13,000 - £4,799	6.35%	£5,000 - £9,999	4.60%
£4,800 - £6,999	6.50%	£10,000 - £24,999	5.55%
£7,000 - £8,999	6.65%	£25,000 - £49,999	5.80%
£9,000 - £9,999	6.85%	£50,000 - £99,999	6.10%
TESSA 2		Bonus 120*	
Gross p.a.	Net p.a.	Annual	Monthly
£25 - £9,999	6.85%	£1,000 - £4,999	4.30%
Bonus Saver		The Smart Account	
Gross p.a.	Net p.a.	Gross p.a.	Net p.a.
£20 -	6.20%	£1 - £9,999	3.50%
Smart 2 Saver		Smart 3 Saver	
Gross p.a.	Net p.a.	Gross p.a.	Net p.a.
£1 - £9,999	3.50%	£1 - £9,999	3.50%
£10,000 -	3.50%		

Interest rates for Retail Banking, Corporate Banking and Corporate Savings Accounts remain unchanged.

NEW RATES FOR ACCOUNTS NO LONGER AVAILABLE			
Account Name	Balance	Gross p.a.	Net p.a.
TESSA Bond	£3,000 - £9,000	6.75%	5.66%
TESSA Bond	£3,000 - £9,000	6.25%	4.69%
TESSA Monthly	£25 - £2,999	6.10%	4.58%
TESSA Flexible Savings	£3,000 - £4,799	6.25%	4.69%
	£4,800 - £6,999	6.40%	4.80%
	£7,000 - £8,999	6.55%	4.91%
	£9,000 - £9,000	6.75%	5.06%
CapitalBond 180	£500 - £4,999	4.10%	3.03%
	£5,000 - £9,999	4.40%	3.30%
	£10,000 - £24,999	4.50%	3.38%
	£25,000 -	5.55%	4.16%
CapitalBond 90	£500 - £4,999	3.90%	2.85%
	£5,000 - £9,999	4.20%	3.15%
	£10,000 - £24,999	4.30%	3.23%
	£25,000 -	4.90%	3.68%
CapitalBond 30	£500 - £4,999	3.40%	2.55%
Monthly/Half Yearly	£5,000 - £9,999	3.80%	2.85%
	£10,000 - £24,999	4.10%	3.08%
	£25,000 -	4.50%	3.48%
Share Account	£1 -	0.60%	0.45%
Current	£10 -	3.10%	2.35%
Deposit Bonus	£200 -	3.10%	2.35%
Account Name	Balance	Gross p.a.	Net p.a.
BonusBuilder	£1 - £499	0.60%	0.45%
	£500 - £9,999	3.10%	2.35%
	£10,000 - £24,999	3.40%	2.55%
	£25,000 -	3.90%	2.95%
IncomeBond	£2,000 - £9,999	3.80%	2.85%
	£10,000 -	5.30%	3.98%
TaxFree Option	£1 - £499	0.60%	0.45%
Instant	£500 - £4,999	3.10%	2.35%
	£5,000 - £9,999	3.40%	2.55%
	£10,000 - £24,999	3.80%	2.95%
	£25,000 -	4.20%	3.15%
TaxFree Option	£500 - £4,999	3.90%	2.93%
90 Day	£5,000 - £9,999	4.20%	3.15%
	£10,000 - £24,999	4.50%	3.38%
	£25,000 -	5.50%	4.16%
TaxFree Option	£500 - £4,999	4.10%	3.03%
180 Day	£5,000 - £9,999	4.40%	3.30%
	£10,000 - £24,999	4.50%	3.38%
	£25,000 -	5.50%	4.16%
Double Bonus	£500 -	3.10%	2.35%
Bonus 90	£200 - £9,999	3.90%	2.93%
	£10,000 - £19,999	4.50%	3.38%
	£20,000 -	4.80%	3.60%
Subscription Share	£1 - £200 per month (or £400 p.a.)	6.20%	4.65%

*All investments in TESSA Bond above the minimum allowed each year will be placed in a Linked Bond which will normally pay interest at a net rate of 5.60% p.a. after deduction of income tax at the bank rate, currently 25%.

US base 'told not to stop Cuban jets'

A UNITED STATES air force base in Florida was told to stop Cuban jets from flying over it, but the base was told not to stop them. The base was told to let them fly over it, but not to let them land. The base was told to let them fly over it, but not to let them land. The base was told to let them fly over it, but not to let them land.

SA to stamp out corruption

PRESIDENT Nelson Mandela of South Africa said yesterday that a national commission would be launched to stamp out the apartheid-era legacy of corruption. "From recent and current investigations it would appear that widespread corruption — endemic in the apartheid era — has continued to plague our society," he said. — Reuter.

Captives healthy

FOUR Cambridge University graduates held hostage in Indonesia's Irian Jaya province by separatist guerrillas are healthy but thin, according to a Red Cross doctor, writes John Aglunty in Jakarta.

Beirut arrests

Lebanese soldiers arrested thousands of people in Beirut and threw up barricades during an 11-hour curfew yesterday. — Reuter.

Britain rebuked

Beijing's top man in Hong Kong, Zhou Nan, chided Britain yesterday for "stirring up trouble" before the colony's return to China. — Reuter.

'Duke' nurse jailed

TAMMY Payette, aged 28, the nurse who threw the \$1.2 billion (\$750 million) Doris Duke estate into turmoil over allegations that the heir was murdered, has been jailed for eight years in Malibu, California, for stealing from wealthy patients, writes Christopher Reed in Los Angeles.

Siege lifted

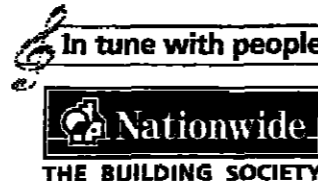
Muslim-Croat Federation police entered the Sarajevo suburb of Dijas without incident yesterday, formally lifting the long siege of Bosnia's capital. — Reuter.

Nazi radio

Nazi radio returned to Danish airwaves for the first time in over 50 years on Wednesday night when the National

News in brief

ing the long siege of Bosnia's capital. — Reuter.



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Tweaking a Tiger's tail

Trade talks must not obliterate human rights

THE BANGKOK summit is being billed as a new bridge between Europe and Asia, launching a new era of cooperation between the EU and the tigerish economies of the East. It is to be a joyous relationship, based on "business trust", between the former colonialists and the new economic ones, forged in the spirit (says President Chirac) of "mutual regard". This is a magnificent vision but it is not exactly the truth.

The initiative began two years ago in a speech by Singapore's Prime Minister which envisaged a "tripolar economic world" comprising North America, Europe and East Asia. Whether these three groups could build strong ties with each other or not, he said, would determine whether global prosperity — and indeed world security — could be sustained. This resolutely economic approach to the contemporary world has been reflected in the pre-summit spin doctoring. It has an element of truth in it at least in the negative sense: if such a triangular relationship does exist, then the Europe-Asia axis is by far the weakest side of it. But the causes of this will not be easily dispelled by what is supposed to be a feel-good summit. Not far beneath the surface is a perception of inequality exactly the reverse to that which used to obtain in colonial times. Put crudely, the EU needs "mutual cooperation" with Asia more than the other way around — which is why Commission sources have been so anxious to insist that the EU is "not approaching Asia as a supplicant". In reality Asia enjoys a very favourable trade balance with Europe while the level of EU direct investment in the region is negligible compared with that of the US and Japan (which for the purposes of this equation should be removed from the Asian side). Certainly the Asian countries would like to gain better access to European markets, but the strongest urge in this dialogue

is the reverse in which Europe seeks to latch on to one of the world's fastest-growing markets.

A second motive on the European side, also hard to articulate, is the fear that East Asia after all may not be the zone of tranquillity still taken for granted only two or three years ago. The easy assumption had been that geo-economic partnership would supplant geo-political contention. This always took a lot for granted in a region which accommodates four major powers — plus, perhaps, Korea and even Indonesia in the future. Now a new arms race is under way across the region while an assertive China, long falsely accused of expansionist ambitions, is suspected by many of having begun to show them.

No wonder then that the Europeans have headed for Bangkok nervously asserting that they have no intention of risking potential discord by speaking too loud about Asian human rights abuses. The European Trade Commissioner Sir Leon Brittan has pronounced in terms which would gratify Sir Humphrey: the question of human rights has not been excluded from the dialogue, he said, and the heads of government will discuss it "to the extent that they wish". That is (with the possible exception of Portugal on East Timor) as little as possible. Of course protest has to be tempered by diplomacy but this is ridiculous. If it is embarrassing to address individual countries' abuses, there is no shortage of general themes: the Human Rights Watch organisation has identified a number of particular Asian relevance including protection of labour rights, action to stop the trafficking of Asian women, a code of conduct for the arms trade, and endorsement of the right to peaceful expression of views. Unless such issues are addressed the summit will make a tawdry start which in the long run will earn little real respect in Asia.

A railway built with subsidies

But is it really the taxpayer who is being taken for a ride?

AT LONG last, nearly a decade later than it should have done and after one of the biggest U-turns in recent memory, the Government has finally given the go-ahead for construction of the 68-mile fast railway link from London to the Channel Tunnel. Remember, a decade ago the Channel Tunnel itself was authorised by Mrs Thatcher as long as it was entirely financed by the private sector. She applied the same criterion to the building of a high speed rail link which should have been built simultaneously (as it was in France). But, totally unsurprisingly, the private sector couldn't make enough income from ticket sales to justify a railway needing considerable environmental safeguards including long underground stretches.

Now the Government has relented and with the passion of the converted is recklessly hurling subsidies at the private sector. The winning consortium will receive £1.4 billion of the £3 billion cost as a straight subsidy. On top of that it will be given the spanking new Eurostar trains worth an estimated £450 million, an £80 million depot in West London, St Pancras station plus various other valuable assets including 120 prime acres around Kings Cross worth goodness knows what and a similar endowment of land at Stratford. To complete the irony it will also get Nicholas Grimshaw's stunning new terminal at Waterloo built for £130 million within budget and on time by the unfairly maligned British Rail. Unfortunately, by the time it was completed the

fast rail link it was going to receive (which would have gone underground as it approached London) was abandoned. Why? Because Lord Parkinson, then Transport Secretary, insisted it must be built without subsidies (the same Lord Parkinson who later turned up as chairman of one of the consortia seeking huge public subsidies, but that's another story). What is disgraceful is that if today's subsidies had been available then, the fast rail link would by now have been completed instead of having to wait until the next century.

It is tempting to let the matter rest there and wait patiently until the consortium — which combines the very impressive engineering might of Ove Arup and Bechtel with the market nous of Branson — gets the damned thing built. But there is still a crucial question of public ethics. If all the extras are added in, the taxpayer will be putting up a minimum of nearly three quarters of the cost of the project (which the consortium will own for 99 years as opposed to the seven-year contracts granted to privatised rail franchisees) while getting nothing in return. Labour claims that the total public subsidies and assets amount to nearly £2 billion. Even these days, when the concept of the mixed economy is becoming a distant memory, surely natural justice demands that the taxpayer become a stakeholder in the project. The Audit Commission should step in forthwith to ascertain just how much the taxpayer is being taken for a ride.

No room at the estate agents

Squatting agencies are a good idea whatever Brighton says

THAT'S squatting for you. Just hours before Britain's first estate agency for squatters opened up, bailiffs moved in yesterday and removed the social entrepreneurs. Their aim had been to provide homeless families in Brighton with lists of empty property in the town. There were to be photographs of the property, full descriptions and addresses. The initial portfolio comprised over 1,000 properties including shops, offices as well as houses, but local council statistics suggest the total number of empty homes is 2,500. Brighton was selected because it has one of the highest rates of homelessness outside London. One big difference between the new agency and the older model was that the staff had no door key to hand over. Another was that no fee was going to be charged.

The agency already has its eye on new premises which it hopes to open today. Predictably, local councillors are

angry. Ironically, the current council leader who opposes the plan and talks of adequate existing provisions was once a squatter himself in the 1970s. Perhaps he should be reminded of the squatters who emerged in the late 1960s. They began by confronting local London councils but ended with an agreement that allowed them to take over empty local authority property on a short-term basis. The statistics have only got worse since then as low-cost housing — because of government cuts — is in even shorter supply, and the number of homeless people is even greater. The current housing bill will only exacerbate the situation by severely limiting the responsibilities of local councils to house homeless families and introducing arbitrary time limits on their duty to provide temporary accommodation. Brighton may be the first but will not be the last town to have a squatting agency.



Letters to the Editor

Diana and her new career

HAVING had some experience of representing my country abroad, may I take the liberty of offering the Princess of Wales some more serious advice than that of Professor Norman Stone (Goodbye Charles, Hello Falklands, February 25), in the hope that she still wishes to embark on an ambassadorial career. To the extent that diplomacy still has to do with hearts and minds, I cannot think of anyone better qualified to represent us.

I have just two words of warning. The first is that Britain's interests are strictly Her Majesty the Queen's representatives, and the Princess will need to be on good terms with Buckingham Palace.

The second is that diplomatic life is not quite the glamorous career that the so-called business of most Guardian readers' imagination. As the Scott report has revealed, it often involves trying to sell unifying things to nasty people. It also involves dealing with the cynical economy with the truth or telling home truths to people who would much rather not hear them.

Even if the Princess has in mind a more caring role than that of a diplomat, her recent experience in Pakistan will have taught her that even the most innocent of pilgrimages, undertaken with the purest of motives, can lend themselves to misinterpretation. She should be warned, with restraint, but more than that, she should be warned to sense a deliberate snub. In that case, it would not be the Princess herself who felt the blow-back so much as

British interests in that country.

While the Princess has a potentially starring role to play in the projection of Britain's image overseas, she would be well advised to take some expert coaching. David Gladstone, (Former High Commissioner, Colombo, and Charge d'Affaires, Kuala Lumpur, 1 Mountfort Terrace, London N1 1JJ.

YOU are right to argue that any debate on constitutional reform cannot ignore the unique status of the monarchy (Leader, February 25). Regardless of the behaviour of our current royal family, the question is whether anyone should preside over a state by virtue of their birth. The Labour Party has already pledged to abolish hereditary peers in the Upper Chamber. It takes no great logical leap to question the hereditary principle in the head of state.

Royal power is vast and sits above the law. Very little of this power is today exercised by the royal family personally. Most has accrued to the government of the day. Using these powers, governments can make treaties, declare war, and of course, cut rights and abuse our democracy. It is not surprising that governments are the most avid defenders of the monarchy — they have much to lose if the mystery is revealed.

It is surely inevitable that, at some point in the future, the people will be asked how we wish to choose a head of state, either by an accident of birth or through the ballot box. If Prince Charles believes

such a choice is good enough for the Australians, it is surely good enough for us. Andrew Fuddephatt, Director, Charter 88, 311 Pine Street, London EC1R 0JH.

YOUR editorial describes how the Prince and Princess were "trying something new" — a "new" marriage and falling. The breakdown of families seems to reflect the breakdown of our communities with all the resultant social distress. Perhaps at this point of failure of the royal couple's marriage we should reflect on how we can rebuild real community so that, should a marriage fail, there is more support, more care, available for all involved — not least the children. We all need to appreciate how we are stakeholders in our communities.

(Dr) William West, Lecturer, Counselling Studies, Centre for Educational Needs, University of Manchester, Manchester M13 9PL.

TO cheer us up, may I humbly suggest that the Millennium Fund should commission our greatest living composers to write the music for this unique state occasion? My list includes: Sir Andrew Lloyd-Webber, with something like Don't Cry for Me, Argentina; Sir Peter Maxwell Davies, with variations on his Six Songs for a Mad King; and of course, Sir Michael Tippett, with the final negation of his Midsummer Marriage.

Marc Loewenthal, 101 Wrotesley Road, London NW10 5TY.

... and another divorce story that is giving cause for concern

SOPHIE RADICE'S article (Stuck in the middle, February 21) was based on a false premise. She stated that a Government amendment would not allow children to appear before a judge and argue against their parents on the grounds of "substantial financial or other hardship".

The Government amendment would not allow children themselves to apply for an order barring their parents' divorce. It would allow a spouse to apply for an order preventing divorce on the grounds that dissolution of the marriage would result in substantial financial or other hardship to that spouse or a child of the family. In such cases the court will look for objective evidence that dissolution would result in substantial hardship.

In cases where the court is looking at questions relating to where the child will live after divorce or how much contact that child should have with a non-resident parent, it is the welfare of the child that is of paramount importance. The court must take account of the child's ascertainable wishes and feelings in the light of the child's age and understanding. (Section 1(3) of the Children Act 1989, as amended by Jonathan Evans MP, Parliamentary Secretary to the Lord Chancellor's Dept, Selborne House, 54-60 Victoria Street, London SW1E 6QW.

THE perspective of women on divorce has been widely ignored in discussions about the Family Law Bill. Unfortunately your leader (February 23) follows this trend. The

proposals as they stand would have a devastating effect on women's rights in divorce proceedings. There is no evidence that a mandatory one-year waiting period and a move to mediation would reduce "bitterness, hostility and resentment" or be better for children.

Mediation as opposed to legal representation is not appropriate where the parties have unequal bargaining power, which is still the case for the majority of women going through divorce. However, the Family Law Bill would make mediation effectively obligatory by imposing a presumption against legal aid for representation by lawyers. And the increase to a one-year waiting period would allow men ample time to dispose of or conceal their assets.

Lucy Anderson, Rights of Women, 52-54 Featherstone Street, London EC1Y 8RT.

WE WERE surprised to read in your final sentence that £2 million is currently spent on mediation. Would that even that relatively small amount were true. There is as yet virtually no national funding for family mediation services.

We welcome the Lord Chancellor's proposals to fund mediation in future via the Legal Aid Fund but are extremely concerned as to the survival of all our charitably funded services until that happens. Sheema M Adam, Thehma Fisher, National Family Mediation, 9 Tavistock Place, London WC1H 9SN.

Final cuts

YOU report (Mawhinney says in TV 'left bias', February 29) that a BBC spokesman has reacted to Mawhinney's comments on the party political bias of The Final Cut and other television drama on the basis that I, a former deputy chairman of the Conservative Party, wrote the original book. Having ignored my earlier public statements about the television adaptation, the BBC now seems intent on forgetting that those protests ever took place.

Of course, there is an honourable tradition for partisan drama. My objection to the BBC Drama Department introduced bias into an adaptation in a manner which was not present in the book, and which they knew I would find objectionable. In doing so, I believe they acted professionally and neglected the responsibilities owed to an author.

It would be preferable if the BBC's spokesman could deal with the merits of Dr Mawhinney's argument rather than trying to avoid them by misrepresenting my position. Or perhaps this is the same BBC spokesman who at the time suggested that the funeral depicted in The Final Cut of "Britain's first female and longest-serving prime minister" had nothing to do with Margaret Thatcher?

Michael Dobbs, Blisney Dairy Farmhouse, Dorrset Bridge, Dorset DT6 5HR.

THE Audit Commission has proposed 333 calls as a way for the public to make non-emergency calls to the police, leaving 999 for emergency calls. It neatly leaves 666 for calls to HM Government. Just which cabinet minister ought to answer them? F Robin Harrison, 28 Beaumont Road, Totton SO40 3AL.

Please include a full postal address, even on e-mailed letters, and a telephone number.



Theion's kingdom's come

I FIND it rather interesting that people like Archdeacon George Austin should believe that God is male because "the Bible describes God in male terms and we should follow scripture, not modern feminism" (God in a skirt inflames cleric, February 26). The main reason why God is described in male terms is that Semitic languages like Aramaic and Hebrew, spoken in ancient Palestine, have only two genders, masculine and feminine, with masculine as the natural way of express-

ing concepts of dominance and power, reflecting the structure of the society and culture of the time. If the good archdeacon delved a little further into scripture, he would see that St John, who wrote his gospel in Greek, which has three genders, expressed the idea of a divine entity in the neuter. The same is true in this example of scripture were followed, how would God be portrayed then? Marc Loewenthal, 101 Wrotesley Road, London NW10 5TY.

Now it's thieves on the tracks

WHEN our son was four he spotted a £5 note in the gutter outside Watford Junction station and we handed it in as lost property (Letters, February 29). The staff showed him the spot in the safe where it would be kept and reassured him that in three months if it was not claimed, he could have it. Three months later, the note was exactly where it had been put. The clerk gave him a cheque for £3 explaining that there was a "handing charge" of £2. So much for trying to inculcate good moral standards.

Penny Jaques, 7 Stanley Road, Oxford OX4 1QY.

A £2 HANDLING charge for lost property, payable at the time of collection of goods, is acceptable. But the unauthorised removal of £9.50

from Morine Jeffers's purse by Railtrack is theft. Jane P Sutherland, 47 Hatherley Road, Reading, Berkshire.

HOW can Railtrack justify taking 10 per cent? It costs no more to handle a £50 note than a fivepenny note. "Customs" pay for the note as they do. Why should Railtrack turn their misfortunes into additional profit? John Spencer, 38 Earlsfield Road, London SW18 3DN.

TALES of lost wallets and purses should come as no surprise. A sizeable chunk of the public purse has been left with British Rail, very little of which is likely to be returned. Simon Rake, 42 rue de Trévis, Paris 75009.

Labour's defence on terror

HUGO YOUNG was unusually selective in his use of quotations about Labour's position on the Prevention of Terrorism Act (Commentary, February 28). The recommendation which the Shadow Cabinet is making to the Parliamentary Labour Party — that we should not vote against the order for the renewal of the act — is fully consistent with the position adopted by John Smith and Tony Blair. In the debate last year, having explained that we had long supported the need for anti-terrorist legislation, I said: "Three things are... to dispute the power to make exclusion orders, which are a form of internal exile; the absence of a judicial element in decisions to extend detention; and, above all... the need for a general and comprehensive

review of anti-terrorist legislation." I continued: "Had such a review been announced... against the order tonight." (Hansard, March 8, 1995, col 357). The review was announced on January 9 this year. Its terms of reference are in line with what I asked. This was that the review should be conducted on the basis... of the Government's working assumption that the ceasefires are intended to be permanent" (col 358). We are currently preparing our evidence to Lord Lloyd's review. We will resist our objections to exclusion orders and we will press for a judicial element in decisions to extend detention. Jack Straw MP, Shadow Home Secretary, House of Commons, London SW1A 0AA.

A Country Diary

GLOUCESTERSHIRE: By this stage of a long, hard winter, the beasts of the field are, unless given supplementary feed, seriously hungry. There is little nutritional value in winter grass and most of it has been nibbled bare by grazing beasts. Our small flock of Hardwick live a privileged life and, as a consequence, are a little on the plump side. They get a regular breakfast of cereal or compressed silage nuts and a generous ration of hay. One hay is always bought in at this stage for, even if I do make a crop of hay in the summer, it is usually more by accident than design and has been eaten up months ago in the first weeks of colder weather. Running the heavy field mower over the pasture last July, to stop the grass seeding, did give, after four days of toasting in the warm sun of summer, a worthwhile yield of sweet-smelling hay but that has long gone and we are dependent on bought-in bales from a number of rival suppli-

ers. We let the flock make their own judgment for, even when hungry, sheep are very particular about their hay and will only tackle bales which still smell of the sunlight of golden June. I was talking, on Sunday morning, to the tenant of the field and below us — a 20-acre field on which a combination of 50 ewes and some beef stock are kept. He was feeding his sheep at the time — a 25kg sack of ewe nuts went into dispersed troughs and a bale and a half of hay into the baler. Hungry ewes came pouring through the gate to get their rations as a keen northerly wind put an edge on their appetite. Commercial farmers, if they are not prepared to face the costs of winter feed, inevitably face losses at this time of year. Lambing is only weeks away on a normal cycle; that is one that has not been chemically altered to give early lambs. So ewes are in the later stages of pregnancy and very much at risk if undernourished. COLIN LUCKHURST

هكذا من اللامباله

Diary Matthew Norman

The world of youth culture prepares to welcome an exciting new pundit in John Redwood, the former Welsh Secretary...

A royal flourish, but it's far from final

Commentary Peter Preston

AND SO, apparently, a line is drawn under an unseemly period. Divorce solves all. There is to be sure, some continuing sulping over terms, conditions and titles...

Montgomery's Mirror Group titles. The case begins with the way the royal family we have behaves. But it broadens swiftly - incorporating Charter 88, Will Hutton and even Tony Blair...

Meanwhile, skipping lightly over the Duchess of York and John Bryan's pending Memoirs Of A Toseaucher...

Let Sophie and Edward slip round to Victoria registry office on a wet Friday

Will the two young princes - against all known odds for the children of such a disastrous sundered marriage - turn out laughing and loved?

Our Princess of Love's crucial role in Ulster



Bel Littlejohn

GO FOR IT, DI. Who wants to be Her Royal Highness, anyway? Talk about snooty. Anyone in their right minds would prefer to be Her Ordinary Caring Person...

poverty of wealth, the starvation of the well-fed. Phase three has been to assemble a highly skilled team of personal advisers to cultivate Princess Di's ambassadorial image at home and abroad...

ANDY'S book, meanwhile, had its launch party at the Reform Club on Wednesday. I alone of Mandy's intimate circle was there...

THE management of a large London venue has been warned to be especially careful about bombs. Police explained that they have strong intelligence that the building is a likely IRA target...

AT "The Independent", the acting editorship of Charlie Wilson, my fey Glaswegian friend, continues on its tranquil way. Having found me on Wednesday to disengage with 44 jobs...

BORIS the Jackal Johnson's career as a Tory candidate for Clwyd South (slogan: Vote Jackal... And Stay Lucky) has hit early trouble...

I HAVE been called by the Times's Anatole Kaletsky and the venerable Samuel Brittan of the FT. Both were extremely distressed (Mr Kaletsky sounded close to tears) at whispering campaigns linking them to the "journalist" my friend Peter Bottomley denounced in the Commons last week...

THANK YOU FOR NOT SHOOTING THE DELEGATES



Faced with a stronger, more pragmatic conservative coalition, the Australian government is already reading its obituaries. Not so fast, argues Geoff Gallop: it win, to a social and economic revolution that shows what a Labour party can do

Keating a jump ahead

AUSTRALIA'S Labour Party has enjoyed remarkable success in the 1980s and 1990s - first under Bob Hawke, who came to power on the back of high interest rates in 1983...



Despite deeply held beliefs and a lengthy public record of opposition to progressive business, Howard is refusing to challenge some of the fundamentals of the Labour era...

Labour managed to convince trade unions - not without a good deal of argument - of the need to support increased flexibility in the workplace within the context of the legally guaranteed safety net and the accord...

Labour has set an agenda for the nation which the poll-driven conservatives are reluctant to challenge

10 per cent, compared to 5.6 in the US and 3.4 in the UK. Being targeted to those most in need, Australia's social safety net has been expanded. The broader social wage has also been expanded...

POLITICS, of course, is a complex and unforgiving business. In which there are no pre-determined patterns. Keating may not be able to convince an electorate, showing signs of a mood for change in the guard if not in the direction in which the country is travelling...

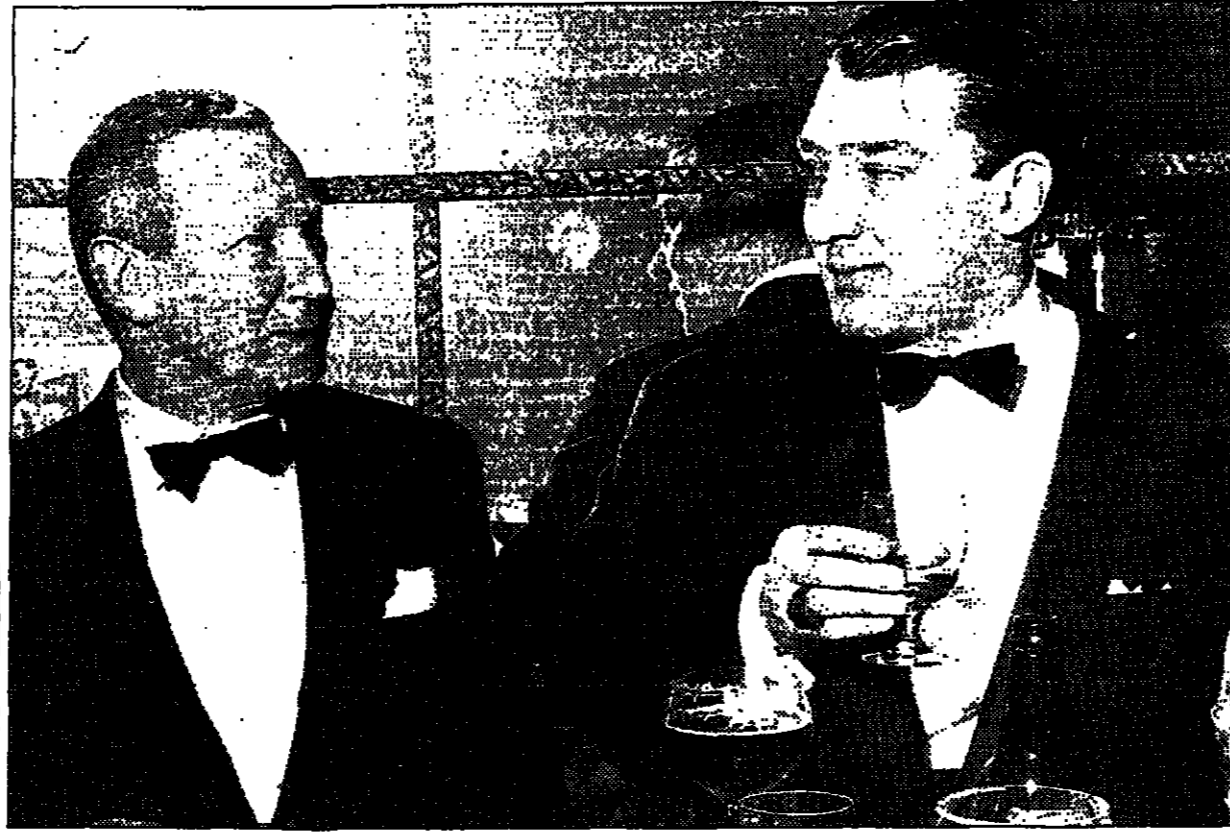
Pollen, pet hairs, dust and dust mites... virtually nothing escapes the 8 1/2 lb ORECK XL

Advertisement for ORECK XL vacuum cleaner, featuring a large image of the vacuum and text describing its features and benefits.

The Earl of Effingham

Noble art of survival

EIGHT years ago the Earl of Effingham, who has died aged 90, joined a gaggle of distinguished descendants at a party at Greenwich to celebrate the 40th anniversary of the defeat of the Armada.



'Distinguished friends'... Lord Effingham indefatigably clubbing with gangster Ronnie Kray, right, in 1964

as descendant of the patron of Shakespeare's Rose Theatre, was to support delays in building an office block during excavations on the site.

although for different reasons. He was educated at Lancing, serving with the Royal Artillery and the 3rd Maritime Regiment during the second world war.

Joe Minogue

Caste versus comradeship

FOR MORE than 20 years Joe Minogue, who has died aged 72, served the Guardian in a succession of roles from town hall stringer to foreign editor and night editor.



Joe Minogue... a mucker-in

But once there he wasted little time standing around in case of CP Scott's bust on the dark paralling on the corridor (although he was greatly impressed by the fireplace in the reporter's room); instead he mucked in at whatever task was closest to hand.

but a good comrade. But then he would always be that wherever he fetched up

Harry Whwell

The paper he joined in the early sixties still bore traces of the old divisive factions among its staff while the practice of adding a regular intake of Oxbridge graduates was becoming firmly established.

Ian Wright, former managing editor of the Guardian, writes: No one was more surprised than Joe Minogue when he became the Guardian's foreign editor in 1968.

Newcomers to the paper — also not quite sure of the difference between an essay for their tutor and a story for their newsdesk — learned readily from someone whose speed and skill they could not fail to admire.

Minogue had a lively and original mind. (At one stage in a varied career it is rumoured he wittily coined the slogan: meals on wheels.) Very properly, he got the original job for his sheer journalistic nous rather than for a grand track record in international reporting.

When it became apparent that he was suffering from a mortal disease, he took his leave of the Comédie-Française gracefully — included some disagreements with the administrator Jean Le Poulain who smoothed over what

He, in turn, was fascinated by them; always ready to see them through an unprejudiced eye and often enough to find something worth learning from them. As a lifelong short-back-and-sides man himself he took their beads and bell-bottoms in his stride.

Journalism aside, it was his war service which gave Minogue his deepest satisfaction. He served in an armoured dragoon regiment at the Normandy landings and through to Berlin.

Joe Minogue, journalist, born October 20, 1923; died February 29, 1996

François Chaumette

Baron of European theatre

THERE are great actors who, while they play, perform the same role all their lives. Not so François Chaumette, who has died aged 72.

missed for insubordination from the Conservatoire a good sign. In 1943, he started his career brilliantly at the Théâtre Hébertot, one of the centres of avant-garde resistance.

but when I went to see Chaumette in Waiting For Godot (1977) I was captivated by his mastery to stay right to the end.

His performance of demented or psychotic killer characters always reminded me of Richard Widmark in Henry Hathaway's The Kiss Of Death, but with an added glacial command of voice and emotion



François Chaumette... mesmerised the audience

Edward Thomas

Cracking Hitler's code

EDWARD Thomas, who has died aged 77, was a polymath whose broad range of interests and high intellect made him a "nutcracker" for the vital wartime task of attacking German naval ciphers and for post-war intelligence co-ordination.

ent in German and even Icelandic. He acquired first-hand knowledge of Germany as a student in the late-thirties. In 1939 he joined the Royal Navy, moved over to Naval Intelligence and, in keeping with his unusual knowledge, was assigned to Iceland in 1940.

sonnel, including survivors of sunk ships. From time to time he interrogated captured German submariners, a rare breed because they usually went down with their boats.



Thomas: 'cod war' mediator

Atlantic; and there was other valuable interception work to be done against Axis convoys running between Italy and Libya to supply Rommel.

In 1943 Thomas was appointed intelligence officer of the Home Fleet, commanded by Admiral Sir Bruce Fraser and based at Scapa Flow. He was therefore on the flagship, HMS Duke of York, for the Battle of the North Cape which led to the sinking of the Scharnhorst at Christmas 1943 — the Navy's last battle-ship action.

Thomas's "mad professor" exterior and loud voice were misleading superficial features of a man whose interests — which eventually became Broadway, Broadway music (he played the bassoon and was studying Vaughan Williams when he died), botany and translation.

Birthdays

Kenny Baker, jazz trumpeter, 75; Harry Belafonte, singer, 69; David Bowie, showjumper, 58; Douglas Bunn, founder, All-England Jumping Course, Hickstead, 68; Leslie Christie, general secretary, National Union of Civil and Public Servants, 57; Roger Daltrey, actor and rock singer, 52; Celia Fauda, Labour MP, actor, 73; Sir Allan Green, QC, former Director of Public Prosecutions, 61; Doris Hare, actress, 91; Air Chief Marshal Sir Miles Hodges, former C-in-C Allied Forces, Central Europe, 78; Martyn Jones, Labour MP, 49; Commander Timothy Laurence, husband of Princess Anne, 41; Prof James Lister, paediatrician, 78; John Napier, stage designer, 63; Mike Read, pop broadcaster, 45; Commandant Dame Nancy Robert-

son, former director of the WRNS, 87; David Scott Cowling, 60; David R. White, Mark Todd, Olympic horseman, 40; Brian Wailes, golfer, 56; Sir Gerald Whent, chief executive, Royal Telecom plc and Vodafone Group, 68.

Death Notices

FINCH, Margaret Frank, died on 27th February aged 74. Beloved husband of Kenneth, loving father of Katrina, father-in-law of Alan and grandfather of Joshua and Jacob. His love and devotion will always be with us and his funeral service will be held at St. Martin's Church, Hale, Greater London, W on Tuesday 26th March 10.00. Please welcome or donations to Cancer Relief Association Fund c/o W. Bond, 19 Bond Street, Ealing W5 5AP. Tel 0181 567 0422.

Birthdays

BOAZEN, Helen, to my darling wife on her 40th birthday. Do not banish me, please. I'll be home in time for your anniversary. To place your announcement telephone 0171 611 9080

Jackdaw



Early death

AT A convivial meeting of writers in Chelsea recently the talk was of how standards were collapsing, general barbarism threatened, nobody was reading books any more.

Might one see a similar element of undeclared self-interest in George Steiner's regret that nobody is able to recognise the (often obscure) quotations and references with which he presents his arguments? Or in the academics' discovery that since nobody is interested in their subjects their departments and their jobs are doomed?

Having no money, youth should be unable to bring its beneficial influence to bear on our culture. Why then do car manufacturers, wishing to sell a £20,000 sports car, address their advertisements to some putative teenager, obviously morose and probably doped?

WHEN driving my near-70-year-old sister to London Heathrow airport yesterday afternoon we were stopped at a police block and ordered by an armed policeman to "get out of the vehicle". I then had the horrific experience of looking down the wrong end of the barrel of an automatic rifle when a PC... of the Metropolitan Police over-zealously rested the sharp end of his gun against my throat.

to touch the person of an interviewee; it demonstrates serious lack of proper training. On asking for formal identification of the uniformed man, both my sister and I were sniggered and jeered at by the two thuggishly behaved law enforcers.

Not competent

I LIKE women with a bit of experience — otherwise you might as well go to bed with a sack of spuds — but you don't want them to have been around too much.

look nics for men. Men don't tend to dress up at all, though... Women are never happy. Men can sit in the pub and talk about football; women always want things bought for them.

Tender touch

IT WAS with mounting horror that I realised, on reading Decadent Action's manifesto... that I have been pursuing my vocation of undermining

the work ethic in entirely the wrong way and, indeed, have even been unwittingly hindering the efforts of Decadent Action. For whilst, like them, I considered the prevalence of the work ethic to be inseparable from the existence of a capitalist economy, unlike them I had vowed to annihilate capitalism by destroying all money that came into my possession or, indeed, the possession of anyone within



arm's reach). I set about proselytising this idea with some zeal and figured that, in time, I and my dedicated band of disciples would be destroying money at a faster rate than the Royal Mint could produce it — eventually culminating in a moneyless and work-free society.

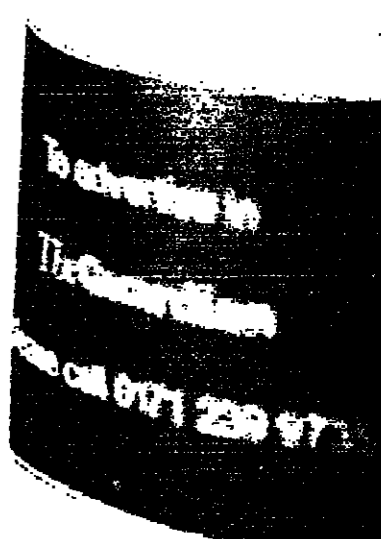
Therefore I have renounced my plan... this has enabled me to quit all the loathsome jobs that my anti-work plan paradoxically obliged me to accept — since it was, of course, necessary for me to earn more and more money in order to destroy it.

whilst lounging like a lizard. Like the humble lizard, I zeal and figured that, in time, I and my dedicated band of disciples would be destroying money at a faster rate than the Royal Mint could produce it — eventually culminating in a moneyless and work-free society.

Jackdaw wants your jewels. E-mail jackdaw@guardian.co.uk; fax 0171-713 4366; Jackdaw, The Guardian, 119 Farringdon Road, London EC1R 3ER.

Dan Glaister

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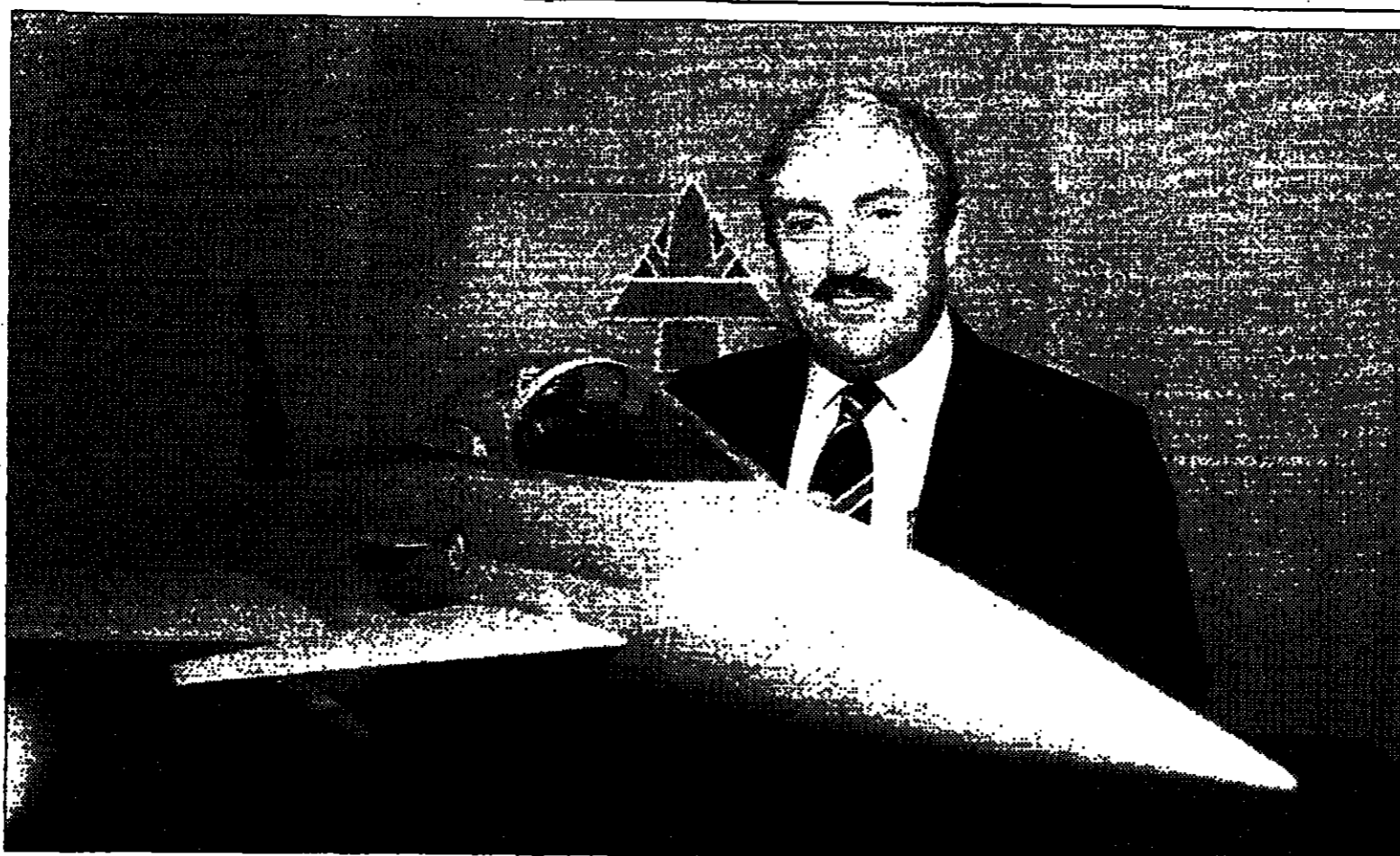
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Fax: 0171-833-4456

Finance Guardian

Profits bolster radical vision

On a high... Dick Evans with Eurofighter model, symbol of pan-European prospects for aerospace
PHOTOGRAPH BY HAMILTON WEST



Bae predicts Euro merger

Roger Cowe

B RITISH Aerospace will lose its independence within five years during a shake-up of the European aerospace industry, Dick Evans, the group's chief executive, predicted yesterday. His comments came as Bae reported a robust profit performance, continuing its recovery from near-collapse four years ago — a trend seen as putting the company in a strong position for any industry-wide reshaping.

Mr Evans dismissed rumours of conventional takeovers, involving either Britain's GEC or the Dutch aircraft maker Fokker. Instead, he envisaged much wider alliances and called for greater urgency in creating them. The four-nation Airbus consortium should be reconstituted as a conventional company within two years, he said, and similar cross-border amalgamations should follow rapidly, beginning with missiles. "The whole industry is in a state of major change. The rapid consolidation in the US is a clear indication of the

moves which are necessary here in Europe," Mr Evans said. "We want to see consolidation taking place in a way that creates European excellence. If Europe is going to be able to speak to America on equal terms, we have to have the same scale. We are moving into a very interesting period, similar to the consolidation in the UK in the 1960s." Asked if Bae would still exist as an independent entity in five years' time, Mr Evans said: "It will still exist. You have to have companies that can maintain national defence activities and access

national defence budgets. But it is likely to be part of larger holding companies." The financial results for 1995 make Bae the strongest European aerospace company. The group doubled profits, despite lower sales following the sale of Rover. After exceptional items such as the profit on the Rover sale in 1994, pre-tax profits of £234 million represented an increase of only 12 per cent, but with strong cash flow and good prospects the dividend will be increased by a quarter. "The results were welcomed by investors, who contrasted the steady progress of the past

couple of years with the shocks of the early 1990s, when Bae was forced into an emergency rights issue of shares to shore up its crumbling finances." Pete Deighton, an analyst at Merrill Lynch, said: "It is out of the wilderness. It has done more than any other company in Europe to respond to the problems in aerospace and defence. It must be in a very good position to benefit from any restructuring." Sandy Morris of NatWest Securities said Bae's financial recovery would put it in a strong position in European mergers of the kind Mr Evans

had mooted, which were necessary to bring costs down. There is tremendous duplication of effort across Europe in things like research and development. The industry is going to have to be lean and mean." The potential for creating pan-European companies has been hampered by political and financial issues in Germany and France. But Germany's Dasa removed a key impediment by abandoning its stricken Fokker offshoot, while the French government of Jean-Marie Le Pen announced plans for a merger between Dassault and Aerospatiale.

Regulator seeks wider insider net

Dan Atkinson

I NSIDER dealers should face "a stronger and more effective regulatory or civil alternative" to criminal prosecution, a senior City supervisor told MPs yesterday. Increasing the options available to those charged with stamping out market abuse was the best way forward, said Andrew Winckler, chief executive of the Securities and Investments Board. At present, insider dealing can be handled only through a full-dress criminal case, Mr Winckler, speaking to the Treasury and Civil Service select committee, stressed that his suggestions represented a personal view and were not the policy of the SIB, the City's chief supervisor. He defended the role of the Stock Exchange in detecting insider dealers; its staff bore the "heat and burden of the day" in opening up such inquiries, and the fact that cases may not appear to have been the work of exchange people may lead some to assume it was "asleep at the switch, when it wasn't". Mr Winckler was appearing as part of the select committee's inquiry into the future of the Stock Exchange. The SIB is responsible for supervising all investment exchanges in the country. On Wednesday, the committee took evidence from Michael Lawrence, sacked as exchange chief executive on January 4 after his plans to change the basis of trading riled market-making firms.

The SIB has told the committee that the sacking was "primarily a matter for the exchange and its members". Conservative MP Matthew Carrington asked Mr Winckler and his deputy, Michael Blair, whether the market-making lobby would, in theory, be able to oust an exchange chief executive who was taking a tough line on insider dealing and market abuse. "In other words," Mr Carrington said, "the people who were the subject of the regulation... had the power to dismiss the executives of the regulatory authority." Should that happen, said Mr Winckler, the SIB would step in to fulfil its statutory duty to maintain high standards and integrity. He said: "I have no reason to suppose anything like this has happened." Mr Carrington said he had no reason to suppose anything like this has happened. Mr Blair told MPs that the Government did not oppose, in principle, the concept of more than one British-based stock market, and had fought off European Union ideas for a "concentration" requirement. Provided a plurality of stock markets did not damage transparency, fairness, price formation, anti-abuse measures and cheapness, such a requirement would not be regarded as undesirable. In theory, the SIB team confirmed, a single market-maker could set up its own "stock exchange"; it would, however, have to meet all the criteria laid down for investment exchanges.

WH Smith to face trading inquiry

Lisa Buckingham

I NDEPENDENT publishers are understood to be planning to ask the Office of Fair Trading to investigate allegations that WH Smith, Britain's biggest bookseller, is abusing its market position by imposing new terms of trade. One book publisher said yesterday he was taking legal advice about how to frame a complaint to the OFT following the decision by WH Smith to demand higher discounts and extended periods of credit. The Independent Publishers Guild, whose annual conference opens today, said it had received many complaints from small publishers who wanted to debate WH Smith's tactics. The OFT has not yet received an official complaint but says it will investigate any allegations which are submitted. Although it can conduct an inquiry into any potential market abuse, a spokesman indicated yesterday that the organisation was likely to be complaint-led in WH Smith's case. WH Smith, which is trying to revive the fortunes of its core high street newsagency chain by discounting book prices, has decided to demand larger discounts from almost

all of its suppliers, as well as extended periods of credit. Small publishers are outraged by the group has decided to impose new terms of trade rather than negotiate a phased introduction. This is in contrast to the tactics adopted by Martins, another newsagency group with steerable book sales, which is trying to secure an extra 5 per cent discount through discussion. WH Smith, which is reckoned to account for a quarter of UK book sales, has declined to comment on any alterations to the terms on which it and its Waterstones subsidiary deal with publishers.

The change in WH Smith's approach to publishers is believed to stem from the introduction of new management, the collapse of the Net Book Agreement (a price-setting mechanism) and the sluggish performance of the group's total business, which has prompted two profit warnings in less than a year. Another retailer said: "We need a healthy and thriving independent publishing sector, and the impact of some one behaving in this way is problematic. Smith's has gone from being a benign but not very good player in the book market to being a malignant but still not very good participant."

ISS shuns fight with Rentokil

Mark Milner in Copenhagen

I SS, Britain's second largest cleaning company, yesterday ruled itself out of any involvement in the battle over BET, the services group on the receiving end of a hostile takeover bid from Rentokil. Waldemar Schmidt, the group chief executive of Copenhagen-based ISS, said yesterday that if Rentokil won the battle for BET and wanted to sell off part of its cleaning business "their prices would be beyond what we would be prepared to pay". He said: "They are paying

more or less £1 for every pound of turnover. When we buy a cleaning company we offer to pay around 45 per cent of turnover. There is no way we are going to pay pound for pound." Rentokil initiated its £1.8 billion hostile bid for BET two weeks ago, having been forced to declare its interest after a stock market leak. It is offering nine new shares and £8 in cash for every 20 shares in BET. Subsequent peace moves by Rentokil's chief executive, Clive Thompson, who offered to buy just three-quarters of the target company, were rebuffed. Mr Schmidt said that ISS had been aware for some time

that BET might well be looking to sell off its cleaning group in the UK. I believe we do not need them." He said ISS had limited resources — it has promised it will not have a rights issue for five years — and would rather use those resources to build up operations in Germany, France and the Far East. Having recovered much of the ground lost when its interest in BET first surfaced, shares in Rentokil suddenly weakened again yesterday, closing 14p lower at 65p. City analysts blamed a feeling that the predator would be forced to increase its offer to guarantee success. Shares in BET were steady at 199½p.

the No 1 cleaning group in the UK. I believe we do not need them." He said ISS had limited resources — it has promised it will not have a rights issue for five years — and would rather use those resources to build up operations in Germany, France and the Far East. Having recovered much of the ground lost when its interest in BET first surfaced, shares in Rentokil suddenly weakened again yesterday, closing 14p lower at 65p. City analysts blamed a feeling that the predator would be forced to increase its offer to guarantee success. Shares in BET were steady at 199½p.

Brussels hits back over red tape

UK and Germany are creating more rules than EC, reports Julie Wolf

T HE European Commission, long-standing butt of British accusations that it is a powerhouse of ludicrous and excessive European Union regulation, hit back yesterday with evidence that the UK is churning out laws much faster than Brussels. EU industry commissioner, Martin Bangemann, urged critics in Britain, especially the media, to read

the commission's study carefully. "It will turn their universe on its head. The figures speak volumes. Those that shout the loudest have sinned the most," he said. The study showed that only Germany was ahead of Britain in proposing new rules and the proliferation of red tape at national level is threatening to undermine the EU's internal market. According to the report, during the past 35 years the EU has put in place a total of 415 directives and regulations covering the single market and products sold on it.

But during 1992-1994, EU countries notified the commission of 1,136 proposed technical rules. This figure would have been much higher if the three newest member states had been included. Germany was responsible for 243 of the laws, with the UK next at 236. Together the two countries accounted for 42 per cent of national rules notified to Brussels during the three-year period. Bonn and London have been at the forefront of demands for deregulation at the EU level, with both countries pressing the commission to withdraw legislation. France came next with

188 rules, or 17 per cent, with Italy accounting for 110 pieces of legislation, or 10 per cent. Tiny Luxembourg only notified four new laws over the three years, accounting for less than 1 per cent of the total. The commission said: "The level of member state regulation has been high" in every year since 1993, when governments were obliged to start notifying Brussels of planned laws. "It is not a once-for-all activity, but a continuous flow of detailed regulation which confronts and may perplex the supplier operating, or considering operating, on the internal market," the report said.

Notebook

Assets hidden in the tunnel



Edited by Alex Brummer

AFTER seven years of delay, which have been extraordinarily costly to the Channel Tunnel, the nation should perhaps be grateful that finally a high-speed rail link is to be built. At first glance this does not look a bad deal. Of the overall £3 billion construction costs of the Channel Tunnel Rail Link (CTRL), the Government will pick up £1.4 billion. This would seem a much lower subsidy than has been assumed through much of the public auction process which brought success for the Branson-SBC Warburg-Bechtel consortium. However, before the cries of triumph go up for the Private Finance Initiative, it is worth considering the endowment. Admittedly, it will be up to the consortium to find the first £2 billion through the private sector and off the Government's balance sheet. In fact, the Treasury has shifted its responsibility well down the time frame at a long-term cost to the taxpayer. It is not simply the right to build and operate the Euro star trains that the London & Continental Railway consortium has won. It has also been given the endowment of the Eurostar, the St Pancras Terminal, the odd parcel of 120 acres of property assets north of King's Cross, plus a spanking new Waterloo terminal. In what may be the greatest piece of creative accounting of all time, the consortium claims that all these assets are worthless, because Eurostar has thus far failed to fulfil its profits expectations. At present, the consortium is only delivering a financial promise. But even this is hazy. All that the shareholders are putting up front is £100 million of equity, with a banking group — headed by Union Bank of Switzerland — coming in with the risk finance. Presumably, they are doing so in the certain knowledge that the healthy and thriving sets dwarf their financial commitment. Of course, the disastrous finances of Euro-tunnel, which had no public subsidy, will have given the private sector plenty of reasons to be cautious. But the Government, before giving away some of the jewels on London's monopoly board, should — in the public interest — have fully disclosed the value of any development profits will eventually be shared between the Government and London & Continental. But given the curious accounting policies handled around yesterday even that must be questionable. The public will have to wait until at least 1997, and the

Insider jeopardy

MILITARY commanders are well aware of the importance of widening the options open to them, while simultaneously narrowing those at the disposal of the enemy. But since 1981 British attempts to stamp out insider dealing have turned this winning formula on its head. A full-dress criminal prosecution, with the attendant heavy burden of proof, is the only option available to the authorities. Following the example of his chairman Andrew Large, the Securities and Investments Board chief executive Andrew Winckler yesterday expressed a personal view about the way forward. He told MPs that insider dealers should be dealt with "primarily" in the civil courts. This has to be right. Indeed, there should be a further distinction between civil wrongs and regulatory breaches. Each breach should be dissected, with its supervisory, civil and criminal elements separated and dealt with accordingly. But there has to be a caveat. To prevent a Winckler-Large set-up being dragged before the courts at home and in Strasbourg against double — indeed, triple — jeopardy has to be built in.

Dollar support

T HE focus of recent G7 meetings, including that in January, has largely been on the dollar-yen exchange rate. In a year in which growth in the European economies is expected to be sluggish and the US expansion is past its peak, the expectation has been that this will be the year of Japanese recovery with the OECD predicting growth of 2 per cent. The recovery will partly reflect post-Kobe earthquake restoration of output. This would be accompanied by a weaker yen which would allow Tokyo to boost exports. The foreign exchange markets have defied predictions of a strong dollar recovery. Keeping the dollar above 100 has been difficult. Official figures show that in February the Japanese central bank bought an extraordinary \$15.3 billion of yen to hold down the currency. Despite this gargantuan intervention it does seem that any development profits will eventually be shared between the Government and London & Continental. But given the curious accounting policies handled around yesterday even that must be questionable. The public will have to wait until at least 1997, and the

December trade gap cheer only 'a temporary reprieve'

Sarah Fyfe

B RITAIN'S first surplus with Europe in more than two years helped narrow the trade gap in December, the Government said yesterday. However, the release of two sets of official figures left the City convinced that the better-than-expected performance at the end of 1995 has not been continued this year. Data from the Central Statistical Office showed that the trade deficit with all countries edged down in December from £274 million to £257 million, the second lowest of last year. The December figures included a £56 million surplus with the other 14 nations of the European Union, the first since August 1993. The deficit with Europe halved in the final quarter of 1995 to £378 million. For the year as a

whole, the CSO's provisional figures indicated only a slight widening of the trade gap from £10,831 million to £11,550 million. However, City analysts said separate CSO figures for non-EU trade in January hinted that the smaller than expected December deficit was a one-off. Trade with countries outside the EU rose from just over £600 million to just under £900 million. HSBC economist Jonathan Loynes said the December trade figures represented merely a temporary reprieve, adding: "The rise in the deficit points to a £1 billion-plus whole world deficit in January." Looking further ahead, we expect the visible deficit to widen gently this year as our key export markets, the US in particular, weaken and stronger consumption at home pulls in imports."

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Canada 2.04	Hong Kong 11.53	New Zealand 2.23	Sweden 10.20
Cyprus 0.8975	India 53.98	Norway 9.58	Switzerland 1.750
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Don't rush to sign, gas customers are told

Geoffrey Gibbs

GUINEA pig gas consumers in the South-west were advised yesterday not to rush into signing contracts for their domestic gas supply until they have seen details of all the offers that will be available once the British Gas monopoly is broken in four weeks time.

The recommendation comes amid mounting concern at the level of complaints made about the marketing efforts of SwabGas, the gas supply offshoot of South Western Electricity, to persuade customers to sign up.

The ferocity of competition was underlined when Amerada Hess wooed local consumers with the promise of "zero inflation" on their bills until the start of the year 2001. The company's marketing director, Malcolm Breton, said: "Our price promise is available to anybody who signs up with us before the end of the year."

From the end of April, 500,000 consumers in Devon, Cornwall and Somerset will be able to choose whether to remain with British Gas or switch to one of the many companies promising discounts of up to 25 per cent on domestic gas bills.

Speaking in Plymouth at the launch of a consumer's guide to gas competition, Jenny Kirkpatrick, chairman of the Gas Consumers Council, said customers should not make any decision until they had seen the offerings of all the companies likely to enter the market — including BC.

The GCC disclosed that of the 64 complaints it had received about gas competition all but one related to SwabGas. Yesterday, SwabGas denied misleading consumers.

Trading standards officers in Devon have taken up the matter and say they will be talking to the company at the highest level to raise their concerns about alleged selling practices.

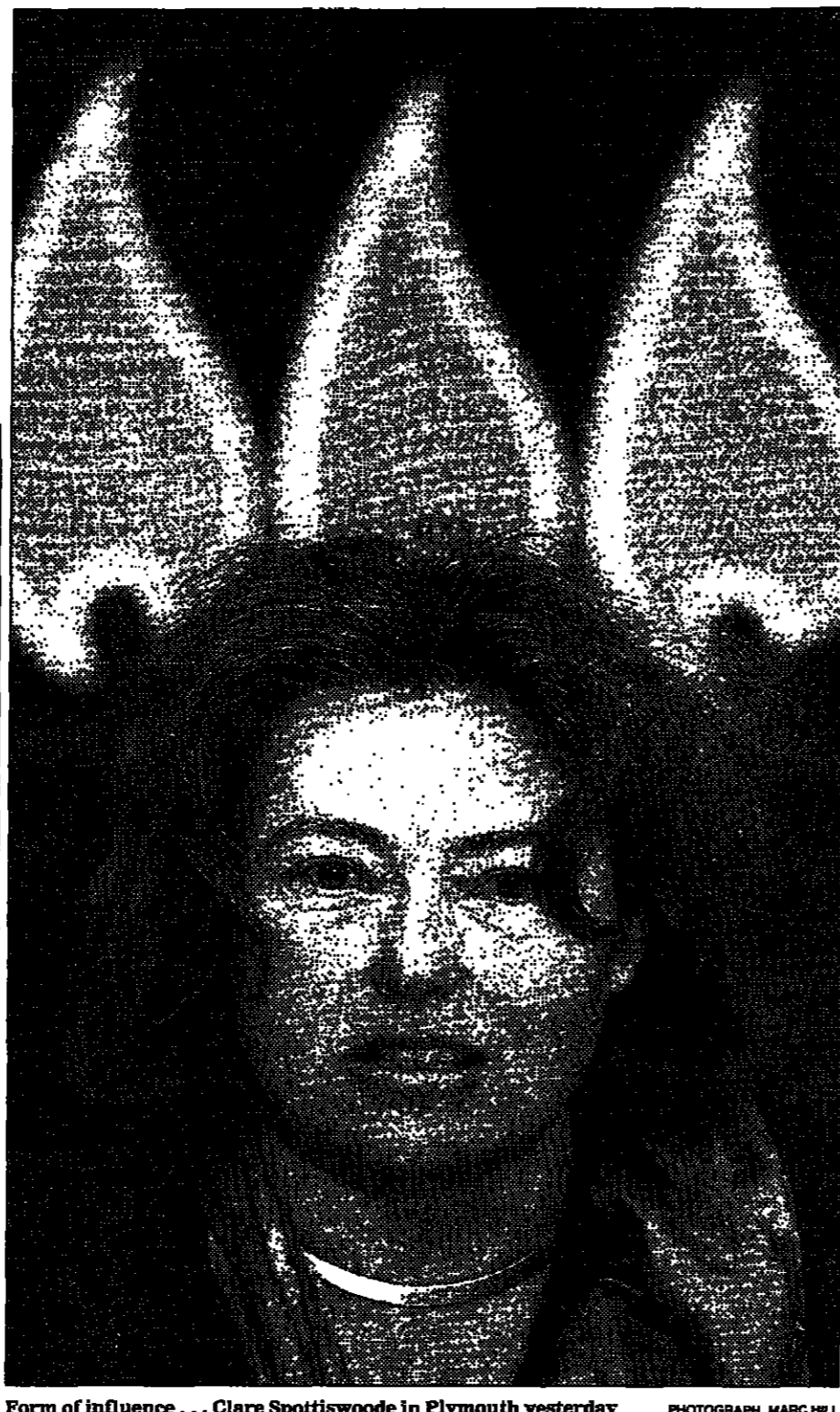
SwabGas, one of the earliest declared runners in the field, has dropped doorstep selling in response to the complaints, many of which stemmed from people believing they had signed a form asking for more information rather than a contract.

Clare Spottiswoode, director general of Gas Supply, said that following pressure from Ofgas, the gas industry watchdog, and the GCC, the company had changed its forms so they clearly stated contract and not application form. "There has undoubtedly been a lot of confusion and it's going to upset customers," she said.

Confirming that aspiring suppliers could apply for licences from today, Ms Spottiswoode said she expected eight companies — "all of them quite substantial players" — would be licensed by the time the pilot project begins on April 29.

Competition in the electricity market will flop unless it cuts bills and gives householders real choice and access to a basic affordable power supply, the National Consumer Council warned.

Choice, Gas Competition in the South-west. Copies available by calling freephone 0500 500595.



Form of influence... Clare Spottiswoode in Plymouth yesterday PHOTOGRAPH, MARC HILL

Sheraton buys the Park Lane

Tony May

SHERATON Hotels is taking over one of the last large family-owned hotels in London, The Park Lane in Piccadilly, for \$44.58 million. The hotel was built in the 1920s by three Yorkshire families and is best known for its art deco ballroom.

The cash will be shared between the 200 descendants of those families — now well into their third generation. The biggest clan are the Bracewell-Smiths who will share some £18 million.

Shareholders representing 72 per cent of the ordinary share capital have given irrevocable undertakings to accept Sheraton's offer.

Clive Parr, the Park Lane chairman, said his board had been in talks with a number of parties concerning a sale. He was pleased with the Sheraton deal.

For Sheraton, the hotel's location in Mayfair is a big attraction, while the fact that there are just 20 years left on the hotel's lease made the price attractive.

Sheraton, which will take over the Park Lane in April, already has two hotels in central London — which, it believes, remains one of Europe's most consistently profitable hotel markets and is one of the most popular destinations on its worldwide reservation system.

News in brief

Scottish plant wins reprieve for 180

THE Government last night won a partial reprieve for an American-owned factory in Scotland facing closure and the loss of 700 jobs. After four days of tough talking with executives of diesel engine manufacturers, Cummins, Scottish Office minister George Yinoch announced the concessions would mean that the preservation of 180 jobs for the time being, with a subsequent reduction to 60.

Cummins will also look at setting up an independent machine shop business at its factory at Shotts, Strathclyde, which could provide 80 jobs. Closure of the plant was announced last week as part of a reorganisation which will shed 2,000 jobs worldwide. But it prompted an outcry from workers at the 40-year-old plant, which Cummins said was not making big enough profits and had a poor long-term future. — Press Association

Co-op invests £30m

A RECORD £30 million investment by United Norwest, Britain's third-largest co-operative, will create 750 jobs this year. A further similar investment is expected in 1997 as the co-op turns from concentrating on internal refurbishment to new developments.

Most of the new jobs will be created in Greater Manchester by a co-op which operates 400 retail outlets between Stalford and the Lake District. The new investment will see £20 million spent on upgrading trading units and £10 million on new developments. It follows a £25 million investment in 1995. Most of the new jobs will be created within the food division and 100 at a new superstore at Lees, Oldham. — *Maryn Halsall*

Boots sells Childrens World

BOOTS has sold its 56 Childrens World shops for \$2.5 million to Storehouse which will merge the chain with its Mothercare stores to produce "substantial cost savings". Childrens World, which supplies children's clothes, toys and baby products, has been built up over nine years by Boots.

But, although it has a net asset value of £41 million, it is barely profitable — the shops made a "small loss" in the first half of 1995-96 after reporting an operating profit of £200,000 for the previous year.

Apart from Mothercare, Storehouse operates the British Home Stores and Blazer chains. Boots said Children's World would be better positioned within a group that has a stronger presence in the children's market. — *Tony May*

Trafalgar digs in over bid

TRAFALGAR House, the construction and shipping group which is the target of a possible takeover bid by the Norwegian Kvaerner group, is said to be unwilling to recommend a bid of less than 55p a share — against 47p in the stock market yesterday — which would value the group at \$900 million. No move is expected from Kvaerner, Europe's largest shipbuilder, until next week at the earliest.

Kvaerner is said to be looking over Trafalgar's operations. Yesterday Trafalgar confirmed that it had won a \$450 million contract to build a steel complex in Thailand, but also learned that it had lost its bid to build the £2.7 billion UK high-speed rail link to the Channel tunnel. — *Tony May*

Lloyds shuts US forex

LLLOYDS Bank is closing its New York-based foreign exchange trading operations and shifting the remaining treasury business to London. "They've undertaken a review and decided to close the treasury operation," said Andrew Honnor, a spokesman for Lloyds.

About 10 treasury staff, mostly from foreign exchange, were let go yesterday, Mr Honnor said. Approximately 50 Lloyds employees would go over the course of this year. "All foreign exchange is going to stop immediately," Mr Honnor said. "That will be moved to the night desk in London."

Lloyds said the closure involved foreign exchange dealing, adding that the bank would not be closing its corporate banking, international banking and debt management units. The remaining treasury products desk will be moved over to London by March 31, he added. — *Reuter*

New call over docks dispute

THE Transport & General Workers Union yesterday called for fresh negotiations to resolve the five-month dispute with Mersey Docks & Harbour. Bill Morris, the union's general secretary, said he had written to Mersey Docks' management, urging a resumption of talks to end the dispute over 329 workers dismissed last September after taking part in industrial action.

Earlier this month, the former employees rejected a management offer to pay between £20,000 and £25,000 to each of its former port workers in recognition of past service. — *Reuter*

China confirms Airbus deal

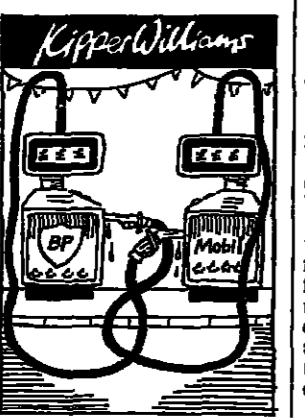
CHINESE prime minister Li Peng confirmed to European Commission president Jacques Santer that China will shortly order Airbus aircraft worth a total of 300 million euros (\$389 million), a commission spokesman said after the two met. Mr Li said the order would probably be followed by others, the spokesman said, adding that the Chinese premier did not specify which model of Airbus or how many planes China would buy. — *Exel*

Hanson sell-off to raise £520m

INDUSTRIAL conglomerate Hanson, which recently announced plans to split into four, yesterday said the initial public offering of Suburban Propane Partners, which was priced in New York earlier, would raise some \$780 million (\$520 million). The proceeds would go towards reducing Hanson debt. — *Reuter*

OUTLOOK/Joint venture designed to enhance position in Europe, writes Chris Barrie

EUROPE'S oil refining and marketing business is set to undergo a major restructuring in a move designed to enhance its competitive position in Europe.



Turkey, Cyprus, eastern Europe, Switzerland and Russia west of the Urals.

The venture takes the form of partnerships in fuels and lubricants and includes the plant and equipment needed to make and distribute oil products across Europe.

The job losses and other restructuring measures will cost \$400 million pre-tax over two years, to be shared between the two oil groups in proportion to their interests in the joint venture.

Speaking in London and flanked by BP executives, Lucio Noto, Mobil chairman and chief executive officer, said savings in excess of \$400 million a year should be achievable once the downstream operations had been combined. The venture should be at full speed by 1998.

Promising a "relentless" drive on efficiencies, Mr Noto acknowledged job losses up to 15 per cent would follow in the 17,500-strong labour force staffing the combined groups' downstream businesses excluding service stations.

By combining their activities, BP and Mobil will benefit from economies of scale. The fuels and lubricants businesses in each country will enjoy higher market shares and better brand awareness than that achievable by each company on its own.

have a 12 per cent share of the fuels market and an 18 per cent share of the lubricants market, the largest in Europe.

Under the agreement, operating partnerships in fuels and lubricants will be set up in each country. The local partnerships will run the relevant downstream assets, including refineries, depots, service stations, pipelines and terminals. Ownership of the assets remains with BP.

BP in Europe

- 5,600 retail outlets in 18 countries selling 825,000 barrels of oil products per day.
- Eight percent market share in fuels and lubricants.
- Owns or has interests in eight European refineries with combined capacity of 760,000 barrels of oil per day.
- Employs 15,500 people including 4,000 service station staff.

Mobil in Europe

- 3,300 retail outlets in 22 countries selling 550,000 barrels of oil products per day.
- Four percent market share in fuels and 10 percent in lubricants.
- Owns or has interests in six European refineries with combined capacity of 350,000 barrels of oil per day.
- Employs 8,000 people including 2,000 service station staff.

and Mobil to avoid the complexities of asset transfers. BP will operate the fuels partnership, holding a 70 per cent interest to Mobil's 30 per cent. Mobil will run the lubricants business with a 51 per cent stake to BP's 49 per cent.

Staff, including senior management, will be posted to the relevant company. Sir David said that unions and works councils were being consulted.

Mobil's service stations will be rebranded in BP colours, a two-year process costing \$200 million, and all sites will carry the joint venture logo which includes the company symbol of both groups. Over time, BP's branded lubricants may be absorbed into the Mobil range.

The European Commission was notified in advance of the deal and has 30 days in which to decide whether to clear the transaction or call for further details. If the commission opts for detailed scrutiny, a decision will be made on clearance in the next four months. BP said it would not take charges for the restructuring until clearance had been received.

BP chief executive John Browne said it was too early to say which countries would bear the brunt of the job losses. He declined to rule out further refinery closures. Mr Browne estimated that 60 per cent of annual savings would be achieved by eliminating duplication, 25 per cent from synergies in marketing and distribution, and 15 per cent from economies in activities such as procurement.

Europe rushes to enter tiger's lair

Analysts warn to summit host, says Nicholas Cumming-Bruce in Bangkok

RISK analysts seeking a possible successor to Mexico, one year on from its crash, might find their eye caught by the Asian "tiger" economy that is hosting the first Asia-Europe summit.

New figures published by the Bank for International Settlements show Thailand has become the developing world's largest bank debtor, its borrowings of \$82.2 billion (\$54 billion) as of mid-1995 ahead of Mexico (\$70.3 billion) and South Korea (\$79.3 billion).

They might shudder, too, to find that 71 per cent of this debt is short-term. There are other disconcerting signals: a trade deficit driving the current account ever deeper into the red — 5.7 per cent of GDP in 1994 and around 8 per cent by the start of this year; a rate of inflation that also pushed

up in 1995 and a savings rate that lags behind investment. "Thailand on paper is another Mexico," says one western broker in Bangkok. In practice it cuts a different profile.

The arrival yesterday of 13 European heads of government and senior ministers from three other countries is one pointer to the economic allure of a country until recently probably better known in Europe for nocturnal exotica. Only 10 years ago, UK government ministers passing through Bangkok played down the significance of Asian markets like Thailand as not really "our" sphere of influence.

It is that Europe-wide myopia that will have John Major, Helmut Kohl, Jacques Chirac and fellow EU leaders trying to catch this Asian tiger by the tail. In

the wake of the Japanese and Americans, they belatedly recognise this market as crucial to the future of European industry.

"It's a matter of survival," Gerard Coste, French ambassador in Bangkok, remarked this week. "I'm not afraid to use this dramatic word, because it's true."

THAILAND has not won the same notice as Singapore's hi-tech laboratory of social engineering, now enjoying a higher standard of living than Britain, or prosperous Malaysia. Mr Major admitted in Bangkok yesterday: "There's no doubt we have but barely scratched the surface."

With annual growth this decade hovering around 8 per cent, Thailand is among South-east Asia's front-runners. Japan in particular has spotted the opportunities in a market of 60 million people riding a boom nurtured by 6 per

cent real growth a year for more than 30 years.

Analysts find Thailand's high levels of short-term borrowing uncomfortable but not symptomatic of a crisis lurking beneath a veneer of boom.

Thanks to high local interest rates, local bank lending and loans from non-resident bank accounts jumped from about \$429 million in 1994 to around \$5.5 billion last year, but the central bank is now acting to restrain such growth.

The differences between Thailand and Mexico are more persuasive than are any similarities. The baht is reckoned by most analysts to be fairly priced.

The current account deficit is part of the price paid for heavy investment in infrastructure and industry that keeps Thai exports rising just a touch faster than imports. More importantly, it was higher as a percentage of GDP at the start of the decade.

sfa

THE SECURITIES AND FUTURES AUTHORITY

"Rolling Spot Forex" Business
A message for investors

As of today (March 1st 1996), firms offering "rolling spot forex" dealing services should have applied for authorisation under the Financial Services Act.

- ◆ If you are a customer of one of these firms you can check if it has applied for authorisation by calling SFA's Information Line on 01426 944403.
- ◆ If the firm you are dealing with is not included in that Information Line you should contact the Securities and Investments Board on 0171 638 1240 immediately.
- ◆ The Information Line will be updated once applications have been processed.
- ◆ Until authorisation is granted you will not enjoy the protections offered by the Financial Services Act, such as the investors compensation scheme.

Notice issued by the Securities and Futures Authority, Cottons Centre, Cottons Lane, London SE1 2QB.

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Clydesdale Bank PLC announces that its House Mortgage Rate is being reduced to 7.49% per annum as from 4th March 1996 for new and existing Mortgages and Tailored Personal Loans — Revolving Secured.

With effect from 4th March 1996 Clydesdale Bank Tailored Personal Loan — Variable Secured Rate for new and existing loans will be reduced to 7.49% per annum.

As from 4th March 1996 the preferential rate of interest for Flexible Repayment Mortgage is being reduced to 6.99% per annum, a Margin of 0.5% below House Mortgage Rate.

With effect from 4th March 1996 the preferential rate of interest for Tailored Personal Loan — Variable Secured is being reduced to 6.99%, a Margin of 0.5% below Tailored Personal Loan — Variable Secured Rate.

Clydesdale Bank

Aldo sets... only for pos



HOUSE OF

Racing

Flag flutter after Sound Man scare

Ron Cox

THE Queen Mother Champion Chase, which has promised to provide the high spot of the Cheltenham Festival...

Strong Platinum, the other leading Irish hope, was beaten at 5/1 on at Naas last week and is out to 4/1 for the Queen Mother Chase...

trained by David Nicholson, who is expected to try and persuade the course owners, Raccoon Holdings Trust, to have a change of heart...



Over and out... Lumberjack and his jockey, Peter Henley, part company during the hunters' chase at Nottingham yesterday

Dunlop takes top trainer award

IF John Dunlop makes a slow start to the flat season this year it will not be entirely surprising, writes Chris Hawkins...

Naughton was honoured as the most promising flat season this year to prominent last season with his sprinting filly Hever Golf...

From a betting point of view preference is for Hand Woven (5.00), who shaped well when fourth behind Darter at Windsor...

Newbury card with guide to the form

Table of racing results for Newbury, including race numbers, names, and odds.

Table of racing results for Kelso, including race numbers, names, and odds.

Table of racing results for Southwell (Flat A.W.), including race numbers, names, and odds.

Rugby League Fiji and Tonga could replace Australia tour

Paul Fitzpatrick

CHAOS may reign in Australia but Great Britain will still have the first summer season of the game's chief executive Maurice Lindsay...

FA still hoping to get its man

Newton Abbot runners and riders

Table of racing results for Newton Abbot, including race numbers, names, and odds.

Table of racing results for Newton Abbot, including race numbers, names, and odds.

Results

Table of racing results for various tracks, including Ludlow, Nottingham, and Southwell.

Results

Table of racing results for various tracks, including Southwell and Ludlow.

Advertisement for RACELINE, featuring a logo and contact information for Newton Abbot and Southwell.

Soccer

FA still hoping to get its man

Martin Thorpe

THE Football Association still hopes it can persuade one of the front runners for the England manager's job to accept the post, even though most have publicly said they are not interested.

The FA sub-committee charged with finding a replacement for Terry Venables will meet again next week — the exact day has still to be fixed — to decide whom to approach with a job offer.

Although Kevin Keegan, Gerry Francis and Bryan Robson have all said they do not want the job at the moment, there is a genuine feeling within the sub-committee that, if one of these managers were actually offered the England job, he would find it hard to turn it down.

The only manager among the leading candidates not to have ruled himself out is Chelsea's Glenn Hoddle, whose contract expires at the end of the season. He is refusing to sign a new one until the club's boardroom row is settled and he knows what money will be made available for team building.

At next week's meeting the sub-committee will hear a report from the FA's technical adviser, Jimmy Armfield, on the realities of who is actually prepared to put himself forward for the job.

Armfield has been taking private soundings to ensure that the first person to whom the job is offered will indeed accept. What the FA wants to avoid is the unedifying spectacle of being seen going through a series of candidates, all of whom say no, before finally ending up with someone prepared to say yes.

As such no main candidate has been approached. The committee's collective mind, though one may do so after next week's meeting, those candidates who have definitely ruled themselves out in private to Armfield are unlikely to be approached.

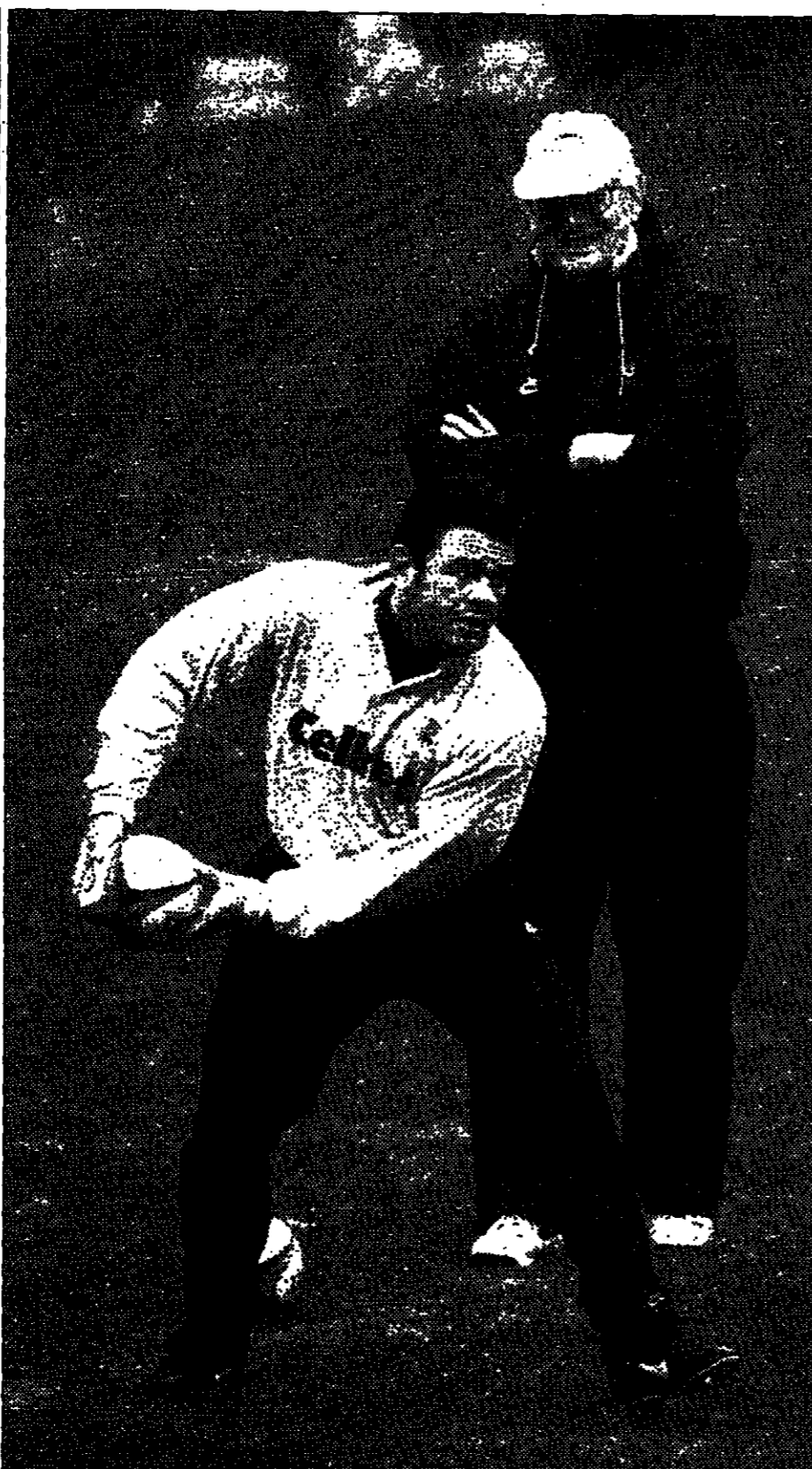
The sub-committee comprises the FA chairman Sir Bert Millichip, chief executive Graham Kelly, international committee chairman Noel White, Southampton vice-chairman and FA councillor Keith Wharmby, FA vice-chairman Chris Wilcock.

Batty at court of St James'

THE country's yawns were stifled yesterday as the year's most drawn-out divorce was finally resolved, David Batty leaving Blackburn for Newcastle in a £2.75 million transfer.

The midfielder is suspended for the showdown with Manchester United on Monday but said: "I'll be ready to go and I'm just relieved that everything has been covered."

North of the border Rangers completed the signing of the Danish striker Erik Bo Andersen from Aalborg for £1.5 million.



Critical gaze... Carling delivers under Rowell's close scrutiny PHOTOGRAPH: FRANK BARON

Rugby Union

England can learn from Carling's art of survival

Robert Armstrong finds England's captain in relaxed mood and relishing the challenge at Murrayfield tomorrow

NO ONE has benefited more from the fusillade of criticism flung at James Rowell's way than Will Carling, who recently has looked so relaxed, serene even, that one might almost have assumed England rather than Scotland were in line for a Grand Slam at Murrayfield tomorrow.

As the pressure has been piled on the manager to justify contentious team changes and mediocre performances, the England captain has tended to stay in the background, getting on with the job of preparing his squad for what some of them believe will be a momentous England victory.

If any player has made his own luck in order to survive in Test rugby it is Carling. After 64 caps, 57 of them as captain, he knows how to steer a steady course between the selectors' whims and the ever-improving tactics of Test opponents.

It is a tribute to Carling's astonishing durability that he has bounced back from demoralising setbacks that threatened to dismantle his international career. The 1990 Grand Slam defeat by Scotland and subsequent criticism from his own players must have undermined his authority as captain, his axing from the 1992 Lions Test team in New Zealand severely dented his reputation as a world-class centre, and Rowell's procrastination over the captaincy in the wake of last summer's World Cup raised doubts about Carling's England future.

learned a great deal about captaincy over the past eight years, but being good enough to lead the England team remains the crucial task," said Carling, who is showing his best form for his club, Harlequins, and country since 1992, when he led England to a second Grand Slam.

"I've managed to remain effective in the England set-up because I've been really enjoying my rugby this season. I still believe I can get an awful lot better, and to be honest I have to because good new players are pressing hard for places.

"We already have a number of great players in the team and now that the younger guys are blending in we are starting to get there. We played some good rugby against Wales without ever quite achieving the forward control we wanted."

Dick Best, Harlequins' director of rugby, knows Carling better than most, having coached him at the 1989 Lions Test team in New Zealand. "I've known Will since he was a schoolboy and he's always been a world-class centre, and Rowell's procrastination over the captaincy in the wake of last summer's World Cup raised doubts about Carling's England future."

doubt that he could take nothing for granted. "Since the opening weeks of the season Will has played out of his skin and the whole team has reaped the benefit, both from his strong physical contribution and the example he has set."

Carling runs his own company, Insight, which offers other companies up-to-date management training courses. As you might expect, group leadership and strategies for success are prominent themes in the England captain's thinking. "Tactical decision-making is an area I have worked on, but too much can be read into a captain's decisions. One man on his own cannot dictate everything. The rest of the team has to be adaptable too. The key players — in business as

"Too much can be read into a captain's decisions. One man on his own can't dictate everything"

well as rugby — have to develop an instinct for the game as it develops.

"I'd agree that sometimes the captain can influence the development of a game. He can say, 'This doesn't seem to be working, let's try one or two variations.'"

"With hindsight I can say there have been times when I should have done this or done that. But you can't really know about players unless you've been on the field with them. "Some captains have a good image as tacticians while the image of others is poor. I'm not sure what Jack Rowell was trying to do by delaying Will's reappointment as England captain for several months."

win over Wales. As soon as he left the field, tactical rigor morphed into England's development momentum among the forwards or create space for the backs.

"To win international matches you have to be precise about detail. And I don't think you should underestimate the pressure that falls on young players feeling their way and makes the precision harder to achieve," said Carling. "Growing pains tend to afflict a young side and it's my job to build up confidence when we're not performing well."

"If the management feel it's necessary it's up to them to bring in specialist coaches, but I feel it's the responsibility of the team to work out solutions to the problem at hand."

"It's going to be a different experience for us at Murrayfield. For one thing, I can't remember the last time we were such firm underdogs for a match against Scotland."

"A lot of their players have developed from the half-backs and a fit, mobile pack of forwards. They have been playing almost to their full potential and they've been very committed and confident, rightly so in my view."

"We have quite a good record against them [six wins in the last seven games] but I wouldn't mind changing that record by one game [the 1990 defeat]. I certainly don't wake up thinking 'Oh good, it's Scotland', each time we have to play them."

And the balance between winning and entertaining? "The best way to win against the Scots will be to attack them with the ball in hand. If we manage to do that people will say we are playing entertaining rugby."

But he added: "Our first duty always is to win the match. It would be nice just to go out to entertain, but really what you have to do is find the effective way to win."

Is it goodbye Lansdowne Road?

Karl Johnston, from Dublin, on plans to abandon Ireland's elderly national stadium

IT IS not only on the field of play that Ireland has become the poor relation of the Five Nations family in recent years. Its Lansdowne Road ground is the oldest international rugby stadium in the world, and it is looking its age.

Little has changed since Ireland first played England there on March 11 1878. Grim, poor on crowd facilities, it belongs to another era. The "new East Stand", rebuilt in 1982, wears an unfinished look because of the objections of residents near the Havelock Square end.

Comparisons with Twickenham and Murrayfield are embarrassing. On home international days such as tomorrow the place is transformed and rates 10 out of 10 for atmosphere, but for all its history and tradition its days as an international venue are

numbered — though when they will come to an end has not yet been decided. "At present we have a stadium with a capacity of under 50,000," says Philip Browne, secretary and treasurer of the IRFU. "Demand for tickets exceeds supply. We need a modern, all-seater stadium holding 60,000 spectators plus."

Redeveloping Lansdowne Road is not really feasible, says Browne. "It might just be possible to shoe-horn a modern stadium into the existing space but there are other difficulties."

These include an adjacent suburban railway station whose level-crossing is a potential crowd bazaar, and the strong objections of residents in what is one of Dublin's most fashionable suburbs.

lands, in west County Dublin, where the cost of building a "green-field site" stadium has been estimated at up to £100 million, and even that may be conservative.

The union's expressed preference, however, outlined in a brief and untimely statement on the eve of the Ireland-Scotland match in January, is to become involved in a multi-project development in the old Phoenix Park racecourse on the city's north side.

Somas Centre Ltd, formerly known as Ogden Entertainment Services Ireland Ltd, envisages a development costing £37.5 million which would include a 63,000-seat stadium, a 13,000-capacity indoor arena, a conference centre, an hotel and a casino — the most controversial aspect of the plan, but one in which the IRFU is not involved.

Planning permission has already been refused by the local council and is unlikely to be granted on appeal because of governmental antipathy to the casino, not to mention adverse public opinion.

There are some 20,000 listed objects to the scheme — the largest number of objections in any planning application — including two ministers of state, local residents and a plethora of sports clubs.

The union may have another option, an unlikely one at face value but eminently sensible: a new stadium on the Phoenix Park racecourse, which is well advanced in a refurbishment and rebuilding scheme designed to turn Croke Park, its main ground, into one of Europe's finest stadiums.

Such a move would once have been unthinkable, but the GAA's ban on "foreign" games such as rugby and soccer is long gone. The IRFU's association with the Football Association of Ireland, however, will remain until 2004 at least, and this could be a stumbling-block.

"Many of our people would be user-friendly towards rugby but not soccer," one GAA source said recently.

Scots clubs seek separate identity

SCOTLAND'S top 10 clubs are set to follow the lead of their English counterparts by forming a limited company and marketing themselves as a distinctive body within the game.

The clubs also intend to pursue their battle with the Scottish Rugby Union to be allowed to take part in European competition, a goal which they hope to achieve within two years.

Discussions will also be held between the SRU and the clubs on the subjects of contracts for club players and centralised registration. In view of the recent exodus of top Scottish players to English clubs, the top 10 are anxious to take steps to keep the best talent north of the border.

The international future of Ireland's Peter Clohesy is even more in doubt after the Irish RFU yesterday endorsed a playing ban of 26 weeks on

the 29-year-old prop and terminated his international career, which had a month to run.

Clohesy stamped on Olivier Roumat during Ireland's Five Nations match against France this month, and last week he withdrew his appeal against his 26-week ban.

Scotland's Ken Logan suffered a further blow to his international career when a suspected broken finger forced him off the replacements' bench for tomorrow's Calcutta Cup clash with England at Murrayfield.

The Stirling County wing, who replaced Craig Joiner against Wales, was injured during a training session yesterday and his place on the bench goes to Glasgow's Heriot's FC, 30, who was on the bench last season for the Five Nations and was a member of Scotland's World Cup squad in the summer but remains uncapped.

Entertainments

A large grid of theatre listings for London, including titles like 'Sunset Boulevard', 'The Phantom of the Opera', 'The Wind in the Willows', and 'The Mousetrap'. Each listing includes the theatre name, show title, and contact information.

FLIGHT MARKET section featuring 'Easter Short Break Flights' with prices for destinations like Madrid, Rome, and Malaga. Includes contact numbers for ATOL and other services.

Advertisement for Entertainments phone service, providing contact numbers for London (0171 611 9100) and Manchester (0161 834 8686).

SportsGuardian

KENYA'S PART-TIMERS PROVIDE BIGGEST WORLD CUP SHOCK



'I'm very, very disappointed that we did not play as we should have. That is all I have to say'

Richie Richardson
West Indies captain



The one they wanted... Kenya's wicketkeeper Tariq Iqbal and Asif Karim at first slip celebrate as Brian Lara is caught behind for eight off Rajab Ali

Group A: Kenya v West Indies

West Indies blown away

Paul Weaver on the one-day humiliation of a team that once appeared invincible

KENYA sent the cricketing equivalent of a cyclone rampaging through the Caribbean yesterday as they beat West Indies by 73 runs, the biggest upset in the competition's 21 years.

were torn up and replaced by impromptu phone-ins. Angry listeners vented their frustration, mainly over the captain Richie Richardson and the West Indies Cricket Board of Control.

cause the World Cup is being shown on regular TV. "Some would have been watching all night, in rum shops or wherever, but with the game starting at about midnight most people would have gone to bed feeling confident, only to wake up to the nightmare."

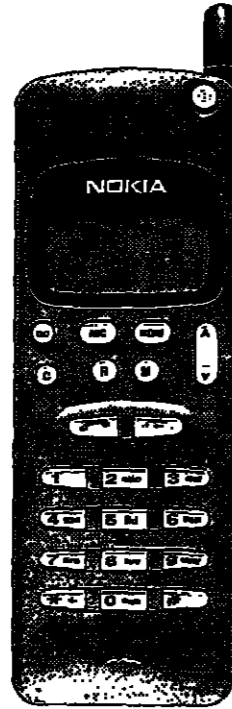
Greenidge, Desmond Haynes and Malcolm Marshall. The captain, the board and the selectors are taking all the stick. The players themselves are being let off lightly.

was always a big supporter of Richardson and even moved himself down the batting order, from three to four, to get him in the side.

afterwards: "To beat your idols is like a dream come true. This feels like winning the World Cup."

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Scoreboard

KENYA	D Chameka c Lara b Walsh	0
Tariq Iqbal c Cuffy b Walsh	10	
RK Oshroo c Adams b Harper	20	
M Oshroo not out	20	
M Oshroo hit wicket b Bishop	0	
M Oshroo c Adams b Ambrose	20	
M Oshroo c Lara b Harper	0	
T Oshroo c Adams b Harper	24	
E Oshroo c Cuffy	1	
Asif Karim c Adams b Ambrose	1	
Extras (mb, w, lb, not out)	37	
Total (48.3 overs)	189	
Fall of wickets	15, 18, 45, 72, 77, 81, 125, 128, 155	
Bowling	Ambrose 8.3-21-2; Walsh 8-28-3; Bishop 10-23-1; Cuffy 8-2-31-2; Harper 10-4-10-3; Arthurton 4-0-15-0	
WEST INDIES	S C Campbell b Sult	4
T Richardson b Sult	11	
S C Lara c Tariq Iqbal b Rajab Ali	10	
S Chandrapaul c Thoko b M Oshroo	10	
R A Harrow c Tariq Iqbal b M Oshroo	11	
R A Harrow not out	0	
R Bishop not out	0	
C E L Ambrose run out	0	
C E L Ambrose c Tariq Iqbal b M Oshroo	1	
C E Cuffy b Rajab Ali	1	
Extras (mb, lb, w, not out)	1	
Total (55.2 overs)	68	
Fall of wickets	18, 22, 33, 35, 38, 65, 78, 81, 85	
Bowling	Sult 7-2-18-1; Rajab Ali 7-2-17-3; Asif Karim 2-1-18-1; M Oshroo 10-3-18-3; Oshroo 2-0-15-0	
Umpires	J Ramnarayan and Kintez Nagesh	
Kenya won by 73 runs.		

Cup upsets - triumph of the minnows
Old Trafford, 1979 - Sri Lanka beat India by 47 runs
Trent Bridge, 1985 - Zimbabwe beat Australia by 13 runs
Albury (Ase), 1992 - Zimbabwe beat England by nine runs
Pune (Ind), 1996 - Kenya beat West Indies by 73 runs

If the purpose of Thompson's banal new dialogue is to fluff up the characterisation, this does not stop her shedding plenty of characters and the satirical geometry of the novel's pairings.

Review page 11

Excited? Moi? Official radio plays it cool

Greg Barrow in Nairobi where in non-cricket circles reaction was muted

FOUR hours after Kenya's victory over West Indies in Pune yesterday the national radio station, Voice of Kenya, confined its mid-afternoon slot to a review of President Moi's government business.

But if Kenya's triumph was ignored by the radio station and greeted quietly in the streets of Nairobi, it was a different story at two of the capital's major cricket grounds, Nairobi Gymkhana and Nairobi Club. There the atmosphere was euphoric.

The reaction was hardly surprising, as few people expected anything from the Kenyans after their chaotic preparations. The players claimed they were not being paid enough and that they had been hampered by a lack of proper training equipment, when they had asked for white balls they had been given red ones that had been hastily repainted.

One player alleged that at least three squad members were over-weight and had been included purely because they were of Indian extraction. But as Kenya left for the tournament the team manager Harilal Shah, who captained East Africa in the 1975 World Cup in England, insisted optimistically that his side could make an impact.

Now there is something to celebrate in a year that marks the association's centenary. But many Kenyans have never picked up a cricket ball, and the game has failed to make an impact on blacks in a country dominated by soccer and long-distance running.

Cricket is controlled by the country's Asian community, which is likely to celebrate most. Indigenous black players have complained that selection for Kenya is based on ethnic grounds rather than on talent.

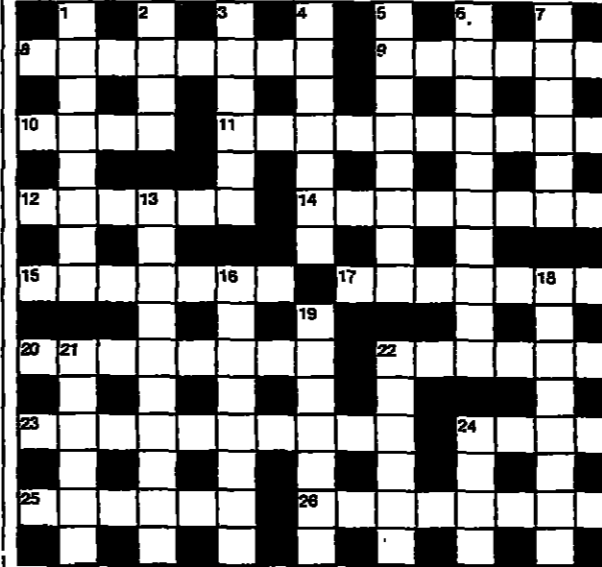
That the blacks have natural talent has been proved by, among others, Steve Tikolo, who plays as a professional in South Africa. He and his family lived near a cricket ground in Nairobi but he and his brothers are still 500-1 outsiders to win the cup.

Robbie Armstrong, a KCA executive member, said: "It was incredible. Of all the matches we expected to win at the World Cup, this was certainly not one of them." Milka, one of the Kenya captain Maurice Odupe's sisters, was overwhelmed as she watched his being named Man of the Match. "I have no words," she said.

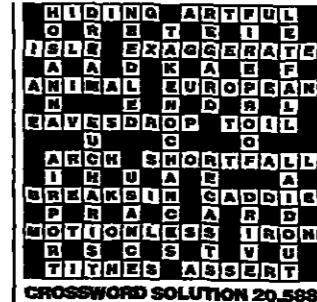
There was no lack of words at Gymkhana, where 200 KCA members had watched the match on satellite TV, filling their ashtrays to overflowing the tension mounted. Within minutes of the victory they were telephoning fans around the county to come to a party at the club.

Guardian Crossword No 20,589

Set by Logodaedalus



- Across**
8 Wood perhaps is found in the station (8)
9 Former love demanding endless credit which is unusual (6)
10 Cheese got from Brode maybe (4)
11 Drudge in fairy tale which could be read in cell (10)
12 Boss rejects arbiter in need of cigarette (6)
14 Hamburgers or nothing? (4,4)
15,17,23 Here a quack? (2,5,1,8,2,3,5)
17 see 15
20 Can it really make one's sole ache? (8)
22 Roused at eight, not completely composed (6)
23 see 15
24 Doctor at work using sink (4)
25 A big cat captivates any bachelor in Britain (5)
- Down**
1 Girl supplied with hot air can hoist things (8)
2 A single piece of news I touched up (4)
3 Tradesman half recognized (that's about right) when looking up (6)
4 Shortened proverb first with a number following (4-3)
5 Turned up some poetry in red wrapper (8)
6 Loosened a frock with deep calm, hiding one's inner feelings (5-5)
7 Trial, starting late, not removing to bridge in Venice (6)
13 In the RAF he revised this temperature scale (10)
16 Communicating with each church when encircled by a halo (8)



CROSSWORD SOLUTION 20,589

- 18 Thoughts half-submerged in the river must be shed (8)
- 19 Redwood says a quack is not completely visible in the water (7)
- 21 Name given to style of writing less half of it (6)
- 22 Erotic girl standing up in a pig-pen (8)
- 24 The same celebration calls for bird no longer (4)

Solution tomorrow
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